Interview with John T. McCarthy

The Association for Diplomatic Studies and Training Foreign Affairs Oral History Project

JOHN T. MCCARTHY

Interviewed by: Charles Stuart Kennedy

Initial interview date: August 28, 1996

Q: Today is August the 28th, 1995. This is an interview with John T. McCarthy. This is being done for the Association for Diplomatic Studies and Training. I'm Charles Stuart Kennedy. Just to give some background. Could you tell me a bit about when and where you were born and something about your family to begin with.

MCCARTHY: I grew up in New York city, basically an Irish-Catholic background, a little bit of German ancestry as well but mostly Irish-Catholic. I grew up in Queens, went to parochial schools for my whole education. Was really the first person in my family to graduate from college. Very ordinary kind of existence, very happy childhood. Not really thinking of the foreign service in any particular stage or time but it sort of just developed in a series of accidents, more or less.

Q: What was your father doing?

MCCARTHY: My father was a very humble person. He basically was the oldest of 4 children, 4 boys. His father died when he was about 10 or 12 and he went to work. He never really got beyond the 8th grade, in terms of his education. I think that was probably

a problem for him because he was a very intelligent person and he always felt, to some degree, disqualified.

He was a taxi driver, before I was born, and later did a lot of jobs in the New York city Parks department. Starting at a fairly menial level, starting at a very menial level, and working his way up into a clerical position by the time my memories come into view. I think he was fairly dissatisfied by the way life turned out for him.

Q: This is very often the pattern. I think, at your age, I'm somewhat older than you are, my father didn't go to college. He worked in the woods as a lumber man, early on.

MCCARTHY:I don't know how old you are but I'm the child of parents who went through the worst parts of the depression and that colored their whole outlook.

Q: When you were at parochial school, stick there for a second, I assume this includes both high school. Did you get much in the way of anything about international affairs, this sort of thing?

MCCARTHY: Very heavily but with a strong Catholic flavor. I think by the time that I was a little kid, we were always told about the missions and the missionaries. That generally was darkest Africa, Borneo and places like that. So I was very conscious of the developing world long before that phrase became popular.

Q: That's interesting because I don't think that somebody who didn't go through the parochial system, unless they went to a missionary type Baptist or something where you gave money, you wouldn't get that. I didn't get much of the darkest Africa.

MCCARTHY: I'm sort of high on parochial school education, at least in those days. They were very disciplined. I think I began my first history course in the fourth grade. History was always an important part of what we were doing, all the way through. So I had a pretty good sense of history and geography.

One of the things that appalled me about my own children's education, including at some very fine schools, is that they never go near a geography text, or a geography lesson. I knew where pretty much everything was by the time I was 12 or 13 years old, in terms of the globe.

Q: Where did you go to college?

MCCARTHY: Also in New York city, Manhattan College. A Catholic college which, at the time, was all male, but now it's coed.

Q: Did you major in anything?

MCCARTHY: History with a minor in political science.

Q: So your parents are wondering: What's this history-thing going to do for you. Or something like that?

MCCARTHY: My father was always supportive, in a general kind of sense. My mother was fairly much opposed to my going to college. She thought it made more sense for me to get a job and to start bringing in some more income.

I was left alone pretty much. My parents had a very good educational philosophy, I would say, or a child-rearing philosophy. They kept very close herd on us. I'm one of four, I have two older sisters and a younger brother. We were controlled, really watched over very carefully until we were 12 or 13 or so. And then we were pretty much left, not to run wild, but my father assumed that if we'd gotten that far along in life, if we knew how to make choices, we could do pretty much what we wanted to do.

I really admired them as parents. Because, as I said, very little formal education but a nice sense of how to both control and to give kids their head at the right times.

Q: You graduated from Manhattan when?

MCCARTHY: 1961.

Q: What were you planning to do?

MCCARTHY: I didn't really know. That was a very uncertain year. It sort of comes back to me in some ways now because, as you know, I am in the middle of retiring and I am looking for something else to do. I am looking for a second career. It has occurred to me that the last time in my life, when there were uncertainties in front of me, was my senior year in college.

I took the foreign service exam in the middle of my senior year, in the fall of 1960. That was of interest to me. I remember I was looking for jobs in private corporations and the one that I must have gotten relatively close to getting was Proctor & Gamble. A job with their advertising division. Because they flew me from New York to Cincinnati, at their expense, and wined and dined me. I didn't get the job but, as I said, I must have gotten close to that.

I had a part-time job all through college at a Catholic newspaper, the diocesan newspaper for New York, called the Catholic News. They told me that after I graduated I could stay on with them but at a salary that really wasn't going to get me anywhere. I was just looking around. Then towards the end of senior year I interviewed at McGraw Hill, it was Business Week basically. This was an early example of networking in my life because, in fact, the fellow who interviewed me at Business Week was a Manhattan college graduate and it was the Placement advisor at Manhattan who set up the interview. He said, “No,” but he referred me to one of the McGraw Hill textbook divisions, Gregg. They, in fact, hired me.

So I was never unemployed. I graduated from college sometime in June, and by sometime in July, I had a respectable job as an assistant editor at McGraw Hill.

Q: What inspired you to take the foreign service exam?

MCCARTHY: Some of it is what I said already: That there was always, in my mind, this idea that it would be interesting to live abroad. And, also, the concept that it would be good to somehow serve, to provide some sort of service, for my country in this instance, or earlier in my life for the Catholic church. I think some of that is still hanging around.

The circumstances are much more mundane. Because at the Catholic News, as I said I was working part-time, there was a woman who was, if I was 20 or 21 she was probably 25 or 26 at the time, so an older woman. Lo and behold, one day we were sitting at a desk together, or sitting across from each other, a couple of desks, and there was a mailing from the State Department announcing the foreign service exam that coming fall. She said, “Let's take it.” I said, “Oh, I don't know.” She said, “Come on, you've always wanted to live abroad. Let's take it.”

So I sent away the application, took the exam, passed the written exam and asked her how she had done. I said, “Eleanor, what happened with you?” She said, “Oh, I never sent away the application.”

So I took the foreign service exam by suggestion.

Q: You took the oral exam.

MCCARTHY: No, this was the written. In fact, I've often wondered if I would have passed the oral if I wasn't feeling so good about myself. Because I took the written in December of 60, graduated from college and got this job at McGraw Hill. They wanted me to start on a Monday and I asked if I could start on a Tuesday. Because, unbeknownst to them, the foreign service people had suggested that I take the oral on that Monday.

So I took the oral against the background of already having a very nice job that I was very happy with. So I think I was more relaxed. I always think of myself, and I certainly was in

those days, as being a very shy person, timid in fact, in my early '20s. I just wonder how I would have impressed them at the time. But the fact of the matter is that when I took the oral I was feeling very much at ease.

They told me at the end that I had passed. They also — this was my first brush with what I would call the duplicity of the foreign service personnel system — they told me at the time that they had a long waiting list, that it would be at least one year, and more likely two, before they would appoint me. That I should keep those facts in the back of my mind.

In fact that worked out very well, from my own point of view, because I had just begun this very interesting job and they had given me some challenging assignments. They wanted me to edit a textbook in accounting about which I knew nothing at all. They said, “That's okay, we'll send you to NYU's graduate school to take an accounting course so you'll feel comfortable with the substance.” So, I did that.

Within 3 months the foreign service was writing me saying: We want you to start in January. I wrote back and I told them: No, you told me at least a year, maybe two. They said: It's now or never. I felt that that was unreasonable. But I talked about it with a woman I was going out with at the time, who later became my wife, and she said, “Take it. You're interested in it, go for it.”

Of course, I did. But, keeping in the back of my mind, that these people had, probably I would say, now with 30-some years later, not out of malice but more out of stupidity, which is the way I think most of the personnel system has been run throughout my career — through stupidity they gave me very poor advice. Based on which I took some decisions and to some degree, misled a very generous employer. So I always felt a little guilty about that.

Q: What was the oral exam like? Do you recall any of the sort of things they were asking?

MCCARTHY: Well, of course, in a way because it was an important event. A lot of it was factual. I remember — I mentioned before I knew a lot about geography but, of course, you never know everything — they asked me about the geography of India, and what the principal rivers were. I was smart enough to mention the Ganges and the Indus. They asked me where they flowed. I could remember approximately where they flowed but I couldn't remember whether the Ganges was the Ganges or the Indus. Anyway, there were a lot of factual questions like that. Interspersed with the factual questions were, what I would call, essay kinds of questions. This was 1961, so one of them was: What do I think about Fidel Castro? Being, in those days in particular, something of a liberal, I was pretty positive, saying that, “He was a peasant revolutionary and too bad that he had expropriated all this property that had been owned by a lot of people who were mistreating the natives anyway.”

I don't know if that sort of foray into unorthodoxy was attractive or not to the interviewers, but I remember that particular essay. Lots and lots of who's-who and where-is-this kind of stuff. Not too much more. It went on for about an hour or so. It was pleasant, it was an easy enough atmosphere. Then I was invited to sit outside. Within a few minutes they told me that I had passed.

Q: You came in when, you came in 62 but when...

MCCARTHY: At the very beginning, the day after New Year's, January of 62.

Q: Was there a class?

MCCARTHY: Yes, there was an A-100 class.

Q: Could you describe for me a little bit of the kind of composition and type of people that you saw in the class?

MCCARTHY: Yes. It was an eye-opener for me. Because even though I came from the big city, I came from a very restricted part of that city. So this was a large group of about 60 people. The reason it was that large was that maybe 40-some odd of us were state department people but this A-100 class also included all of the people they had recruited for USIA. They began by telling us that, in fact, the reason they had merged the 2 classes was that very soon thereafter the agencies were going to merge and we would probably always be colleagues together. There wouldn't be a USIA anymore. This was in '62, remember.

Anyway, the group came from all over the country. The sponsors, the state department people, rather tiresomely I thought, kept telling us throughout the A-100 course, how wonderful it was that we were so representative. That the foreign service was no longer just Harvard, Princeton, Yale, east coast. There was this one poor guy in the class from South Dakota. They kept mentioning, “....why, we even have somebody from South Dakota in the class.”

I think it was a lot of WASPS not quite knowing what to make of us because we hadn't gone to the best schools, completely. Nobody was Black in the class but there were several women. They mentioned the fact that people like myself were in the class, “.... people with Irish-Catholic background.” I've always felt that I came-of-age almost at the wrong time because, within a couple of years, whatever advantage you would have gotten from being an ethnic was washed away by not being Black and not being female.

When people began to speak about minorities, by the early '70s, they had other people in mind than me. But I always thought of myself, and I was treated, we were treated, in the first couple of years in the foreign service, as minority entrants because we were not WASPs and we had not gone to Ivy League schools.

Q: I wonder, did you also feel, I mean you were just out of school, I don't know, it depends. But when I came in in 1955 almost all of us were veterans, except for one or two I think.

MCCARTHY: That was probably less true by '62.

Q: I was wondering whether or not there were at least people who had been around for some time. So, you must have been younger, weren't you?

MCCARTHY: In point of fact, I was the youngest person in the class. The oldest person in the class, because then there was a restriction on how old you could be as well, was about 10 years older than I. He was considerably older than most of the people in the class. I was 22 and this man was 32. I think the median age was about 25 or so. A lot of people were certainly a year or two of my age. Hardly anybody was much past 26 or 27.

There were some veterans. In fact, one of the interesting things for me was that we were seated in one of the first sessions alphabetically. We were signing, I think taking our oath and signing a whole lot of papers. We were arranged around tables in alphabetical order. Next to me was a man named Jim Lucas and on the other side of me was a man named Bill Milam. We all looked at each other, at one stage, and asked what our living arrangements were. We had nothing permanent. I was staying at a very nice place that was run by Quakers. They had made it clear that they didn't mind putting me up for a week or so but they didn't want me there permanently. They were in similar circumstances, hotels or something like that. So after we had finished up the 3 of us went out and looked for an apartment. We eventually became roommates and we've really remained life-long friends. Both Jim and Bill were from California and Jim was a veteran, getting back to your question.

There I was, a kid from Queens basically, and within a couple of days I was learning to get along with Californians who were very strange people. They were already using margarine and nobody in my family knew anything better than butter. I always thought they were wrong. I'm glad, these many years later, to discover that people are now raising all sorts of questions about margarine. Of course, I don't use butter either, I use olive oil.

Q: What about the A-100 course, looking at it from some perspective, did it get you ready for the foreign service or not?

MCCARTHY: It depends by what you mean by that question. I can recall that it was 8 weeks long at the time, 8 weeks or 6 weeks, but I think 8. We were all appalled by the kinds of lectures we got which consisted largely of men in suits, I guess, is the way we'd call it now, coming in with organograms and telling us how their part of the state department related to the rest of the state department with charts and names. It was like baffling and boring at the same time.

On the other hand, we were a bunch of young people. I would emphasize that. Recently I've met people who were just out of the A-100 class who were 58 years old, so it's not quite the same. We were young, mostly male, very social people. Hardly a week went by when somebody didn't give a party.

One of the 2 section leaders, we were divided into 2 sections in this A-100 class because of the size, one of the 2 people was really a foreign service character. They both really were characters, they had lots of stories. So I think there was lots of bonding, lots of creation of a kind of a corporate culture going on, probably very successfully. The proof of all that, I think, is that over the years we've had several reunions, if you were passing through Geneva or Zurich, wherever one of your buddies was assigned, you would always look him up. I could still run off the names of, at least most, of the people who stayed on for a long time in the foreign service and give you a kind of a thumb-nail sketch of their career.

So I think it probably was successful if it was supposed to take you as an individual and make you part of some sort of an operation, of a kind of a culture. The actual content of the course, I don't think it's particularly good.

Q: Supposedly it is different now but what was your outlook towards this? Was this a career or give it a try?

MCCARTHY: For me it was very much giving it a try. I think, from my recollection, most of the people in the class felt the same way. There were a couple of people who said they had been studying to get into the foreign service since they were 10 years old. But most people weren't like that.

I remember thinking: well, I would do this for maybe 5 years and see what happens, it certainly wasn't going to be bad. We always complained about money but the salary was good. One of the things that really helped me, this was in 1962 dollars remember, but one of the things that helped me make up my mind to leave McGraw Hill was that they were delighted with my performance there. They told me how well I was doing. To mark that, they raised my salary from $80 a week to $85 a week. At the same time the foreign service was offering me an incoming salary which broke down to about $110 a week. I thought: wow, this is great money!

So the salary wasn't bad. The people I was meeting were very interesting. It was fun really to meet the people in the A-100, in the same class.

Q: They were interesting. I think this is one of the ties-that-bind. These are interesting people.

MCCARTHY: Sure, sure.

Q: That's why we're doing the Oral History program. Comes time for your first assignment. How did that come about?

MCCARTHY: I got what I asked for. People often expressed some surprise but, in fact, probably again this is all missionary stuff, but I had had some French in college, I was interested in Africa, so I asked to be assigned to French-speaking Africa. All of these

countries had just become independent, this was early 62 and most of them became independent some time in the middle of 1960. We knew they existed, we didn't know them very well, precisely which one was which.

In the A-100 course, somebody came and read out our names and our assignments. When they got to me, they told me that I was assigned to Bangui, the capital of the Central African Republic, earlier somebody had been assigned to Ouagadougou, which was the class joke at the time. Does anyone know where Ouagadougou was. Because we joked about it so much, we all knew where it was. But nobody had ever mentioned Bangui.

The man who was reading off the assignments asked me if I knew where that was. I said no. Then he asked the rest of the class, the 60-some odd bright young people, if they could tell me where it was. Nobody could. So he asked me to stand up and go to a large map. We had a map of the world on that side of the wall in this particular room. He helped me find it. There it was, smack in the middle of Africa.

That was the circumstance surrounding that particular assignment. But, as I said, I had asked for this so I was delighted. I thought it was great.

Q: Also, too, it was the Kennedy era. Africa was exciting at that time. This is the new frontier, kind of, of the foreign service. We had great hopes for Africa. Africa was really going to be the place. We were going to do something.

Did you take French before you went there?

MCCARTHY: After the A-100 course I must have taken French first. I took both the consular course, which was about 4 weeks long, and I took 4 months of French. I had some in high school and college but it was not particularly well taught so it didn't leave much of a residue. I'm not bad with languages and after the 4 months at FSI I got a 3/3. I was reasonably well prepared to go.

Q: How did one in 1962 get to Bangui?

MCCARTHY: It was really delightful. I told you earlier that I was going out with this woman who later became my wife. We were really courting feverishly during this A-100 course, during the French course. We were married in July of 62 and we left in August.

There were several ways to go. You could have flown to Europe and then flown down but that didn't seem very romantic. So what we did was to take a boat from New York through the Mediterranean, stopping in Gibraltar and Majorca, and debarking in Naples.

Q: Constitution, Independence?

MCCARTHY: It was a smaller one, it was called the Atlantic, but it was owned by the same line that owned the Constitution and the Independence.

We got off in Naples, took a train to Rome. Honeymooned in Rome for about 10 days then got on a plane in Rome, that originated in Paris, and went on to Bangui. So the last leg of the trip was by plane.

Q: Can you describe the Central African Republic in Bangui, in 1962, when you arrived?

MCCARTHY: ...and the embassy?

Q: ...and the embassy.

MCCARTHY: Because when we got on this plane in Rome, there was this one woman who had spread herself out over several seats. She had an infant. The stewardess was trying to seat us together. There weren't any seats together except possibly where she had spread herself out. She said that she can't possibly disturb her arrangements because of the child. We thought: what a nasty lady.

Of course, she later turned out to be the wife of the PAO and became a very dear friend and wasn't nasty at all, she was just traveling with an infant. Later when I traveled myself with an infant I discovered how reasonable she was being.

At any rate, when we arrived at Bangui the following morning, everybody, except the ambassador, was at the airport to meet us. They announced that the ambassador was giving a dinner in our honor that night. I'm not sure I've ever been welcomed so royally again. But, that was very much the flavor of Bangui. It was a small place.

A lot of my friends have similar experiences I guess. It's a truism. First posts are often the warmest in terms of social life, and building friendships.

Anyway, within 24 hours we felt as though we'd landed among a really wonderful bunch of people. Bangui was very small, very enthusiastic because it was newly independent. From some points of view, I suppose, one should have seen it was going to be a basket case. But, it had a decent infrastructure. It was an agricultural country, enormous but the roads were not too bad. They grew some cotton, they grew some cocoa, they mined some diamonds.

The president was 29 years old. He was the youngest president of all of that group that emerged at that time. He was sort of hard working. The French had departed on good terms. They had given them independence in a good spirit. In exchange, I think this still went on for a long long time, the Central African Republic allowed them to retain several military bases. The French ambassador was really very much the power behind the throne. The place functioned well. I guess that's the point I'm trying to make.

Bangui was minuscule. It had a few paved roads. The pavement stopped 8 kms out of town and nothing else was paved except a couple of main streets in some of the bigger provincial capitals. A very pleasant place. We all had nice housing. The market was fun. You could safely go to what were called the “quartiers populaire,” where people lived in not

too unlike a tribal situation. It was urban but still arranged by tribe. There were nightclubs. People would always smile.

It was a very pleasant couple of years. There was very little tension, basically almost none. What there was induced from Congo Leopoldville. The old Belgian Congo right across the border which was at the same period of time very much in turmoil.

Q: Who was the ambassador?

MCCARTHY: A man named John Burns was my first ambassador, who went on to become Director General of the department. He was ambassador to Tanzania after that. He's still around.

Q: I've interviewed him. He was my first boss too. He was consul general in Frankfurt, that was my first post, in the '50s. How did he operate? He was a bachelor.

MCCARTHY: John gave me some great advice, which I more or less lived by ever since, obviously you can't do it all the time. John said that if you're not doing your job between the hours of 9 to 5, or whatever the office hours are, you're not doing your job well. That people who sit around working all the time, somehow aren't understanding the job and doing it properly.

As I said, he was exaggerating to make his point, but the point was the right one. Be suspicious of workaholics. They probably, half the time, are either so deeply into what they're doing or so exhausted that their decisions are maybe not the best ones available. Take time out to relax. Have a different perspective on what you're doing. That's probably turning in a better performance and doing your job better than another way to do it.

John was very competent. I think the Central African Republic was not particulary challenging. We had almost no bilateral issues to speak of. Their foreign ministry was a

riot. There was one man who did Europe and there was one man who did everything else. Of course we got the guy who did everything else.

And, even in those days, the state department was inundating us with general instructions. Each year before the UN general assembly you'd have to go in and tell this poor guy, whose name I've now forgotten, what our position was on several dozen things. You'd try to elicit the Central African Republic's position. It usually didn't have one nor was it ever going to have one. So, as I said, we went over and made representations to this one very nice guy. We became sort of friends.

Q: I would think, particularly in the Central African Republic, I'm just looking at the map here, it sits right smack dab in the middle, with no coast, that so many of the problems of the United States — ports, seas...

MCCARTHY: This was the height of the Cold War. A lot of the issues turned around, as I said, UN stuff. Would they be voting with us, or would they be voting with the Soviet Union. The diplomatic representation in Bangui was rather limited. There were maybe 8 or 10 embassies there. But in the days when I was there: the West Germans had an embassy; the Nationalist Chinese, Taiwan, had an embassy; the Russians were not there; there were no east Europeans there; the French, the Germans, us, the Belgians, Cameroon had an embassy there, and the Nationalist Chinese. The Koreans would come visiting every once in a while, both sides.

At any rate, a lot of our efforts and a lot of our gossiping, a lot of our listening was based on: are they going to recognize any communist countries or not; will they have diplomatic relations with them or not. Later, in fact, the tables turned several times. The communist Chinese were recognized at one stage, the Russians came — this was after I was gone but I heard about it from others. Israel had relations and there was an embassy there, a fairly large aid program when I was there.

A lot of the diplomatic life revolved around who's here and who isn't here. Since most of the ones who were there were our buddies, how do we keep them here and how do we keep the other guy out, kind of. As I said, there were no bilateral issues. There were a couple of New York companies which were interested in the diamonds and once in a while they would want a little help from us. Aside from that, there was nothing going on bilaterally.

Q: What did you do during those 2 years?

MCCARTHY: I was what was then called a central complement officer. In other words, I was not directly assigned to Bangui, I was assigned to Washington and was basically being farmed out to learn how to be a diplomat. Bangui was the learning place.

What I did for the first 4 or 5 months was to be the administrative officer's assistant and the consular officer. I was not too happy with that because I didn't really know much about administration and it seemed to me that what I was doing was typing up a lot of vouchers that were being sent off for processing and payment in Paris. I remember telling my wife that if this was what the foreign service was like then maybe we wouldn't need 5 years to make up our mind about it as a career.

But that didn't last very long. In the last 18 months, or so, I worked with the political officer. Two actually very interesting people held that job when I was there. It was first Peter Sebastian, who went on to become our ambassador in Tunisia, 2 people before me in fact. Whom I have kept in touch with over the years. The second person, Charlie Bray, who was very well known.

Q: Spokesman.

MCCARTHY: Spokesman here and, I guess, finished as ambassador in Senegal. Again, someone whom I've stayed in touch with over the years.

Each of these was political officer. I sort of sat along with them. We did a lot of traveling. The roads were good, as I mentioned. There were lots of American missionaries so you could put together kind of a visitation trip where we would go to see the missionaries. Stay in hotels that were okay, there were a couple of decent hotels in the country, and then there were places called “Case de passage” which had been setup by the French. They were already beginning to run down or to be taken over by local officials just after independence. But, you could still worm your way into some of those.

We'd see the missionaries, call on all the local officials, write a couple of reports when it was over. So that would consume a fair amount of time. And reporting on local developments.

A very very heavy round of socializing. I have never again in my life been as much of a social animal as I was in Bangui. When I got there, for some reason, it was a fairly elegant social life. The president gave a number of dinners which were all black-tie, formal. Other people gave black-tie dinners. Lord knows why this was going on but it was. The French ambassador was very attracted I think both to me but more to my wife. He thought we were a nice young couple. So we were invited to dinner by the French ambassador, usually 2 or 3 times a week. We went out at least 5 times a week. Some weeks we would go out 6 or 7 nights a week. This was for long dinners that would start at 8:30 and go on until midnight or so. It was a very crazy way to live.

Q: Did you have any ripples from the Congo which bordered on the southern borders of the Central African Republic? You were right on the Congo, I guess, weren't you?

MCCARTHY: We were on the Ubangi. It was one of the major tributaries.

Q: Was this the time of the Simba revolt? When Stanleyville was taken over. Could you talk about any reflections that had on you?

MCCARTHY: I guess all of the time I was there, the whole 2 years I was there, I carried the consular portfolio so what that meant was trying to develop some way to stay in touch with those missionaries. Nobody really had much of a radio system then. Some of the Central African Republican missions had radio nets but still it was fairly primitive. We had no radio contact with the people in Congo Leopoldville, what has become Zaire.

But they would come out fairly often. They would always come by and they would give me and, generally, Charlie Bray, they would give us a political update on what was going on. We did have an emergency evacuation plan. This was about 125 people, men, women and children. Bangui was the easiest place for them to get to by road. It was the only place. You couldn't drive to Leopoldville and they couldn't really go anywhere else.

The E&E plan, the longer I was there the more we tried to refine this, was always based on coming to a place called Zango, which was directly across the river from Bangui in Zaire and coming across on a ferry. A couple of times some of them came out. It all worked very smoothly but it was never a mass evacuation.

Then, it was towards the end of the time that I was there, in 64, when Stanleyville was overrun by these rebels, that all of these people fled at the same time, about 125. They all got to Zango, on the other side, which was held by a Congolese military detachment. I suppose, I never knew, we never got the details, but I suppose in retrospect the guy who ran this place must have been wavering in his loyalties trying to figure out which way to go. But his first step was to let all of the missionaries go but to impound their vehicles, their radios, their cameras, pretty much anything of value. So about 125 very frightened people arrived in Bangui.

I must say we were able to settle them largely with the help of the other missionaries, who were resident in the CAR, very easily. But as consular officer my job came to be to negotiate for the release of their vehicles and their cameras and their radios from this military captain on the other side of the river. So several times I would get into a pirogue, a

dugout canoe, motorized, with one or two of the missionary leaders, and go and talk to this guy. It was pretty clear that he was not rational. He was probably taking some sort of drug or something because, this I got courtesy of one of the missionaries, he kept looking at his eyes and the retina wasn't quite right.

What sticks in my mind very much is the first time I went. We got out of the pirogue, right on the shore line, and the place was deathly still. I'd been there. I'd been there with my wife and friends a number of times, just picnicking. It was a very pleasant place to go. It was never still. There were always women, there was always a market, there would always be lots of activity. So silence. When there were people they were all standing in the background and as we walked toward the center of the town, they would retreat. Again, very untypical behavior for Africans in a normal setting.

Eventually we got to the main building. The captain came out. His men sort of surrounded us. The air was menacing. He began by saying that, “When I saw you land I was going to have you killed, but I thought no, maybe I could speak to you first. Then I thought I would just have you beaten.” It was never really explained why he was going to do any of these terrible things to us. Then he said that his ultimate decision was to talk to us.

We were taken into a room, not much larger than this one, and this is a small room. He sat at the desk, we sat at two chairs across the way from the desk. The room then filled up with about 20 people, all around, sort of squeezed around the walls. Then he proceeded to harangue us. It was a diatribe against colonialism, and all the terrible things that the white man had done to the black man.

It took a long time to get him around to my agenda which was to try to get the release of the vehicles, the radios. We actually succeeded toward the end of that time. I don't exactly know how because he didn't seem rational at any one moment. But at the end of that day, he told us that we could have the cars. So we got the vehicles out. The ferry was allowed

to run and the cars were allowed to cross. But not the radios, and not the cameras, and not whatever kind of electronic equipment existed in 1962.

So we went back home feeling that we had a pretty good day. But not giving up. The hard part then was about 3 or 4 days later. I had to go back again. By now, this was the end of 64, this was probably the end of August or the beginning of September. I was due to leave in the middle of September. In the meantime, we had had a baby. My son was born in May of that year. I had my wife, I guess what I'm trying to say is that when I had to go back the second time and knew that I was going to see that guy again, didn't know what he had been drinking, smoking or imbibing or swallowing in the meantime — it was scary. It took 10 or 15 minutes to get across the river so you had enough time to reflect on what was going on.

When we got there nothing in fact happened. Either the situation had settled down enough for him to figure out that he better not get in trouble with his bosses back in Leopoldville, or he'd had a couple of sober days, whatever. He was rather businesslike and whatever was still impounded, he let go. As I said, I think he must have gotten the word that the Americans were his friends, and they were the friends of the government in Leopoldville. He was not supposed to mess around with us.

So, after all of this preliminary fear and trepidation, in fact, the second meeting was much easier than the first. We emerged completely victorious, all the stuff was out. That was the end of my involvement. Within a week or so I left the country.

Q: Sort of an immersion into real diplomacy.

MCCARTHY: In retrospect that's true. That was perhaps the first serious diplomatic negotiation in which I had ever engaged. We had minor negotiations with Central African Republic officials before, but as I said, there were no real issues so the negotiations were

not very vital. This one mattered. There were important valuable goods involved. And, it was not so clear that we were going to emerge with our skins.

Q: I have a theory that in real diplomatic, or whatever you want to call it, negotiations, usually take place in the consular side because it's usually up against somebody. I mean other ones, it's a little bit of a dance, because it's not persuasion. You have a set of instructions, the central government has a set of instructions. But when you're up against a local official, that's where it really depends on our force of argument, personality, what have you and circumstance. So it can be quite scary.

MCCARTHY: This guy was irrational. That was the most difficult to deal with. You didn't know whether you should say this or that because you had no way of really telling how he would react to anything you said. He wasn't going to be intimidated. And yet, sometimes you could also intimidate him. He was a very strange character. He was probably a man of no education, probably come out of the ranks, who after independence had suddenly become an officer. I think he was poorly trained for the responsibilities that had fallen on his shoulders.

I guess maybe a footnote. I saw this even in Tunis, at the end of my career. People more afraid to say yes than to say no. An awful lot of societies, an awful lot of cultures still don't give people much responsibility. It's always hard for an American to figure that one out. I think most Americans, at any level of whatever structure they work for, whether it's private or public, can take decisions. They may need to explain them later to their bosses but they can take them. But it's very rare in most parts, particularly in the developing world but I saw it in Europe as well. Where anybody lower than the rank of minister can really take a decision and defend it.

So people are wary, they're comfortable saying no and reluctant to say yes because they're not sure that they're not going to get in trouble for saying yes. It's kind of a truism of a large part of the rest of the world. People don't take positive decisions very easily.

Q: I found this in many countries. The decision is no.

MCCARTHY: That's easy. I mean, you can't get in trouble for saying no but if you say yes someone could accuse you of having given something away to the Americans.

Q: Obviously, coming out of a small post like this you've gotten quite a spread of experiences. How did you feel about the foreign service, and your wife too.

MCCARTHY: Very good, really. It was a good assignment. The second ambassador there was another good man, his name was Tony Ross.

Q: He's also been interviewed by our program.

MCCARTHY: And a couple of good DCMs. Bob Malone, a very good man, and Ed Brennan, who's since passed away. And the political officers that I mentioned. I think I had fallen among a lot of very dedicated, very competent individuals who also knew how to have a good time. So some of the way that I've led my adult life was, in part, formed there — working hard, playing hard, always being interested in the cultural, historical aspects of whatever country I was living in. We traveled a lot, we looked around a lot, we tried to get to know what made the place tick.

Yes, at the end of 2 years there I felt very good about the foreign service and looking forward very much to my next assignment which was to be Cambodia. I had orders to go to Cambodia in the beginning of 65.

Q: Did you have any feel, as you were at this embassy, here was a third world country, the United States the most powerful country in the world, and all. Was there any tinge of condescension, colonial, almost like a colonial power, from our embassy or no?

MCCARTHY: No, no. It didn't work that way. This was just after independence. We were really newcomers there. No one knew too much, knew what to make of us, in particular.

The French embassy was still enormous. The French ambassador, as I mentioned, really was calling most of the shots. The French government was paying most of the bills. Every ministry, in addition to having a Central African minister, had a French adviser who basically ran the place.

I think, if anything, we were looked at by the thoughtful central Africans as a lever with which they could push the French out a little bit more. So some of that was at play. These were big days for USIS. We were just getting involved in Vietnam and we were having a tremendous social upheaval back at home revolving around civil rights issues. So that we were doing a lot of time explaining what was going on in American society. As I said, basically very much playing second fiddle to the French.

Q: What happened to your next assignment?

MCCARTHY: Things changed. Toward the end of the time I was in Bangui we were inspected. The inspector was a man named Randolph Appleton Kidder. Randy Kidder, I don't know if you know the name.

Q: He was ambassador to Cambodia.

MCCARTHY: Well, almost. He got there but he never presented his credentials.

Anyway, he inspected us, we got along very well. He hired me to go off and be his junior political officer in Phnom Penh. This was around, as I said, we were building up in Vietnam. There was an incident in which an American aircraft was shot down over Cambodian territory. Sihanouk used this to provoke a break in diplomatic relations. Randy went there, the plane was shot down, Sihanouk got his parliament to vote that he would not be allowed to accept the credentials of the American ambassador. So Kidder left, he never really got to serve as the American ambassador there.

I got back to Washington. I sat on the Cambodian desk for several months. They didn't know what to do with me because we didn't know whether we wanted to send anybody else out to the embassy. They thought that, in fact, Sihanouk might break relations which he did several months later.

So my assignment was broken. Second complaint about the personnel people, they asked me what I was interested in. The possibilities, I've forgotten them all, but one of them was Saigon, one of them was Tokyo, one of them might have been Rangoon. But anyway, most of them were Asia and that was really where I had been slotted to go. I said any of them is fine. They called me up in a couple of weeks and said, “Congratulations, you're assigned to Brussels and you've got to get there right away because they need you.”

It wasn't inconvenient for us because, in fact, we'd been back on leave longer than we'd wanted to because of the Cambodia thing. So we rushed to Brussels. I went into the office and met the admin officer and he said, “What are you doing here?”

Q: I've often wondered about this. This is again and again. Which happened to me too. So many people mention this. This sort of Washington trying to push people on.

MCCARTHY: The Lord only knows.

But he said, “We weren't expecting you this fast. It's nice to have you here.” Anyway, it worked out well. We loved Brussels as well. But the Cambodia story is one of those missed chapters in your life. You always wonder how it would have worked out.

Q: You were in Brussels from 65 to 67, what were you doing there?

MCCARTHY: When I got there so early, they came up with a very interesting assignment for me. They sent me to Antwerp for 4 months because there was an election coming. I think the election was going to be in June. This was one of the periods when Flemish-Walloon relations were very exacerbated. There was a Flemish party running in the

elections and people thought that it might be going to do well. Up until then they really hadn't done very well.

So I was assigned to go there, meet some people, do some reporting on this Flemish party. It turned out, coincidentally, that the chairman of the party lived on the same street where I'd found a temporary apartment so we saw each other a few times. I got to go to places like Ghent and Bruges, very interesting cities in Flanders. That was fine. We enjoyed that. Then after 4 months we moved back to Brussels.

I was working in the embassy, the first year or so, as the ambassador's staff assistant. This was a very good ambassador, a man named Ridgway Knight. After that I was in the political section mostly following youth issues and a little bit of an African angle as well. I knew a lot of young African students. I was keeping an eye on them. And I was working with the youth branches of the different Belgian political parties. So it was largely a youth-oriented, definitely a domestic political reporting job.

Q: This was still sort of an aftermath of the Kennedy time, youth officers. There was a big play, there had to be youth officer, which meant you had to be young.

MCCARTHY: I was still young. I definitely did about half of my job working with both African and Belgian young people and young people's organizations.

Q: Can you explain a little about how you saw your role and what we were trying to do with youth because this is not something that continued on much later on, per se.

MCCARTHY: It continued, there was a period, it was my second time back in Brussels when it had gotten a more formalistic air. We were worried about what we called the Successor Generation in Europe. We had gotten along very well with the people with whom we fought World War II together, our allies, all of the politicians in the '50s and the '60s with whom we'd built NATO. And by the late '70s we were worried about who was coming next.

But, you're right, it was a more cerebral, less pounding the pavement kind of thing. I think the youth officer, and certainly what I was doing, was I knew all — every Belgian political party had a youth wing — I knew the leaders of all of those youth wings. Belgium was a good ally and a very comfortable kind of place so they didn't mind inviting me to their party conferences and conventions. And I was pretty obvious, pretty evident. Once in a while people would sort of look at me and say: what are you doing here? But it didn't come up that often. This was still a period when — God, you would run into it in such funny kinds of ways, such open kinds of ways — my wife and I went into a bar in Liege and people started buying us drinks because we were Americans and we had liberated the city. This was in 65, 20 years after it had happened. But everybody who lived through the war was still young and still very active, still active enough.

I think you couldn't have done that, in fact, in the '70s and in the '80s. People would have said you came from the Agency and what were you doing, spying around.

The same with the Africans. They were trying to figure out whether they could parlay a relationship with me into some scholarship to the states. What I was trying to do was find out what they were sensing in terms of what was going on back in their own governments. It was basically Zaire, Rwanda, Burundi those particular countries.

Q: Particularly in the Belgian Congo, the Belgians were considered by most of the rest, as being terribly remiss. Something like 3 college graduates during the time that they ruled the Congo. How did you find the Belgians treating the Africans?

MCCARTHY: Two different things because by 65, 66, I think Belgium had been stung by that kind of criticism. They were being very generous in their scholarships to African students. So that Brussels in particular, but Louvain and the other university towns, had all sorts of African students who were studying on full scholarships. The place was full of them.

Belgium, and I guess again the Flemish get the most criticism for this, but it has aspects of racism built into the society so that a lot of the African students weren't very comfortable in their surroundings and they felt that they were being discriminated against. But, nonetheless, they were studying pretty much for free and the place was wide open for them at that time. So it was a mixed bag.

But the Belgians had, certainly, changed since the colonial days when there was more or less a conscious policy of not educating them beyond a certain level. The French didn't do a whole lot better. A little bit better in some of the colonies along the coast. But the Central African Republic also, a little less well-known perhaps, had no college graduates at the time of independence. The most the French had done was to build a high school. There was a Lycee in Bangui and I think that was it. That was a relatively new establishment, it had only been created 5 or 6 years before independence and most of its students were French.

Q: You're making these contacts with the youth groups and the African students and all, was this sort of a watching brief or something?

MCCARTHY: There were 2 big things going on in Brussels while I was there. I guess one of them almost came up overnight when De Gaulle threw NATO out of France, basically. His decision probably came, it seems it me that was mid-65. We had to scramble around to find some place to house the organization. Belgium was a prime candidate right from the start. We were probably looking at the Netherlands, maybe one or two other places.

When I got to Brussels, Douglas MacArthur was the ambassador. But by the time I got back from Antwerp, he had gone on. I served almost entirely with Ridgway Knight. Knight's job was to first get the Belgians to invite NATO to come. He did that rather quickly. They responded rather well. The foreign minister was a very famous Belgian, Paul Henri Spaak, who had really been around since the war.

The less attractive part of his job was to convince them that everything had to be pretty much duplicated the way it had been in France. Including commissaries and PXs and all of the paraphernalia of a large American establishment. Some of which didn't make a lot of sense and some of which the Belgians didn't really like. But, nonetheless, he had to do that part of the job as well.

So, I would say that one thing we were all doing was looking at Belgian attitudes toward the Western alliance. They came through very well. It never really became much of a domestic political issue.

The other thing, this was the height of our buildup in Vietnam. There was one guy, a very ambitious political officer. The first year I was there, he was a staunch defender of our politics in Vietnam. He was going around to the different universities accepting speaking engagements which turned into debates. And you could do this over American policy in Vietnam. By the second year I was there, in other words moving into the second half of 66, you couldn't do that anymore. On the campuses if anyone tried to speak out in favor of American policy in Vietnam you would have had a riot.

Q: Who was that?

MCCARTHY: Arva Floyd. Arva had to stop what he was doing.

But my own job increasingly became caught up in a kind of polemic. I wouldn't necessarily want to defend, I mean my purpose in meeting with a bunch of people wouldn't be to talk about Vietnam but that was about all that any young Belgian wanted to talk about by the end of 66.

Someone a little older than I inherited my job as youth officer. We didn't really stay in touch but I did have a couple of conversations with him early on. I think he found it very hard.

People didn't want to see anybody from the American embassy for a couple of years, young people in particular.

Vietnam caused us some — we were very unpopular in Europe, in the late '60s, over Vietnam.

Q: How did Ridgway Knight operate?

MCCARTHY: He has one real distinct advantage which is that he's basically bilingual in French.

Q: He lives in France now.

MCCARTHY: He now lives in France.

He was very well plugged in in Washington. I guess that's the first time when I recognized that you could actually use the phone as an instrument to diplomacy because in Bangui we really couldn't get anybody in Washington on the telephone in those days. I don't think we ever made any phone calls period.

Knight used to complain that people were calling him all the time and telling him what to do and wanting to know whether he had done yet what they'd asked him to do yesterday. So he was maybe one of the first times when I saw that improved communications weren't always a positive thing for the local ambassador. I certainly could share some of that.

He was very effective. He knew everybody at the top of the Belgian decision making structure. He had easy access to them. I think he got an awful lot done even though he himself questioned things. I can remember the debate over the PXs and the commissary. His position was: you don't need that, the war is over, this place is booming. There were, even then, wonderful stores in Brussels that had these incredible delicacies. Anything you wanted you could buy on the local market.

The concept that we had to come in and recreate a system setup in the late '40s in a country still wracked by the aftermath of World War II was odd. But, nonetheless, the military, the Pentagon was having none of this. He had to do it and he got it done. Again, it may be a kind of lesson for me because I was his staff aide and the fact that you could disagree with aspects of your instructions but you could still, nonetheless, carry them out.

Q: Did...

MCCARTHY: Lots of visitors, as well, excuse me for interrupting. Lots of generals, lots of high-level people coming through. Because we really ran a pretty much full-court press on the Belgians until they had swallowed everything.

Q: Essentially, was the feeling that the Belgians wanted NATO there?

MCCARTHY: I think they saw that there wasn't any other good candidate, that the organization served everybody's purposes. The Belgian government is not dumb. They saw job creation. The NATO headquarters ended up in a depressed area of Wallonia, I'm sorry, the military armament, SHAPE, ended up in a depressed area of Wallonia.

I think that everything that was built was built with other peoples money. They extracted some advantages from it. But, nonetheless, it wasn't easy for them. Particularly because we insisted they take it exactly as it had been in France. It could have been downsized, it could have been done a little bit differently but we just wouldn't listen.

Q: How did you find the Belgian foreign ministry and bureaucracy from your perspective?

MCCARTHY: It was bigger than the Central African ministry, obviously, but it wasn't run too very differently, in some ways. Spaak was the foreign minister most of the time I was there. Then the government fell and some other people came in.

Spaak was the minister. He had a brilliant Chef de Cabinet, whose name was Etienne D'Avignon, who went on to become a commissioner of the European Community. I'm trying to recall whether he became Belgian foreign minister, I think he probably did at one stretch. He's had a variety of jobs, both at the European and the Belgian levels.

Those two guys were pretty much the people you had to see in the foreign ministry to get things done. There was an American desk officer, he was the guy I saw most of the time. But, things would pretty quickly get kicked upstairs to the minister or to the Chef de Cabinet and most of the policy was right in their hands.

Q: Did you get any feeling towards Belgians attitudes towards the Germans?

MCCARTHY: In the street or with people, it didn't take much to get a lot of resentment. They were still mad about World War II. But, on the other hand, business, commercial relations were warm, were good. Antwerp, the port, was heavily used by German industry.

I guess the political answer to that is that Belgium and Holland both very much saw the European community as a way to make sure that there wouldn't be any new wars in Europe. And that Germany would be swallowed up in some larger mass where its ambitions would be realized and kept under control at the same time. So that the political answer was: Let's keep going, let's build Europe quickly.

I was there at the worst period. De Gaulle's biggest efforts to curb the community, in addition to throwing NATO out. Probably this was the time when the Belgians figured out that they couldn't allow themselves the luxury of being anti-German anymore. I don't really recall any particular problems but on the contrary I think it was probably a relatively cozy period for Belgian-German relations. France was the real problem.

Q: I was going to say, what was sort of, you might say the embassy impression and what you were getting reflected. Sounds like France could go in what in diplomatic terms could

be described as a real pain in the ass. What was the feeling towards France, particularly De Gaulle's France, at that time?

MCCARTHY: The Belgian feeling?

Q: What you were getting from the ambassador, obviously he must have been a Francophile over the first water. But also from the rest of the political section and then from the Belgians.

MCCARTHY: My answer to that has to be a personal one. I, too, am a Francophile. Most of my education, both cultural and historical, treated Europe as though it was a place that started in Italy, spread through France and the Renaissance and eventually got to England. A lot of my background sees France as a very central part of anything that's going on in Europe. A lot of my personal experience. The countries I like best to be in abroad are either France or Italy. My French is really very cozy, very comfortable, I think in the language when I'm there. I wouldn't imagine doing anything except in French. The same is true when I was in Belgium. I'm very easy with the place, very comfortable with it.

As I said before, I could see that I thought we were being a little overbearing in our request to the Belgians. And I think we certainly were, to some — we're a big elephant to squeeze in under anybody's tent. We may have learned that lesson to some degree now. I think this was more of a problem in the '60s and the '70s, than subsequently.

Then we had the advantage of being the largest economy in the world. Of being the largest military power in the world and nobody could quibble with that. We could throw our weight around to some degree. I think, unfortunately, we did.

So I had a certain degree of sympathy for where De Gaulle was coming from. I think it's probably still good for our policy, that he stood up to us and forced us to moderate them to some degree. I think, some of that I sensed myself, some I would have gotten from Ridgway Knight and probably from the rest of the embassy. Because, thinking back to the

individuals involved, they were all people who spoke French well, liked French culture, were comfortable with France. We probably were, to some degree, sympathetic with where De Gaulle was coming from. I certainly was.

Q: There were no great major events that impacted, were there during this time 65 to 67.

MCCARTHY: On the relationship? I think the need to do something with NATO dominated the relationship and it came up unexpectedly. I don't think we knew De Gaulle was going to throw us out. I think we suspected he was going to restrict us some and might have sort of gradually backed France out. He basically gave a speech and said you're out in 6 months. That was a real dominant moment.

The other element I mentioned in terms of Belgian internal politics, it really was how serious is this split between the Flemish and the Walloons going to be. How far are they going to drive it. There were some demonstrations, a couple of riots, it's still not over. But, I think in the mid-60s it was as serious as it's been before or since.

There was a lot to watch domestically in a country that we were asking an awful lot from on the international level. Then the European community. This was the time of the EEC and De Gaulle was not participating. From the Belgian point of view that was very important.

It was an exciting time to be in a small country. I went back to Brussels in 76 working in the mission to the communities. I knew everybody in our embassy then. I think by the late '70s the Belgian beat was a lot quieter. My friends at the embassy didn't have a whole lot to do.

Mid-60s it was kind of an exciting time to be in this country. Because we were making them swallow a very large dose of something.

Q: Was there a problem with the Communists or what the Soviets were doing at the time there?

MCCARTHY: Not a specifically Belgian problem. There was a small legal communist party that never won much more than a seat or two in the parliament. I knew a couple of left-wing socialists, pretty well actually. They were kind of fun.

Belgium is very much a meat and potatoes bourgeoisie country. There wasn't much going on there. Were there big incidents internationally? I can't remember any.

Q: I can't either. You left there in 1967 and you went back to Washington.

MCCARTHY: Came back to the Op Center.

Q: You were doing that for about a year. What were your main activities in the Op Center?

MCCARTHY: I was an associate watch officer, the junior position. I worked the consoles, answered the phones for about half that time. Then I edited the secretary's morning summary the other half of the time. The most exciting thing that happened while I was there was the 67 War, the Arab-Israeli war.

The most exciting single moment was when I answered the phone one time and it was Lyndon Johnson on the other end of the phone asking for a briefing. And, of course, like a well trained junior officer, I put him on to the senior officer right away. It was fun to see that Lyndon Johnson really paid attention to what was going on and knew about the Op Center.

It was a fairly active time internationally. You work on shifts. I liked it, it was kind of fun. I was glad that it didn't go on for more than a year either because it is a little hard on family life.

Q: It also gave you a feel for who did what.

MCCARTHY: It was the first time that I had worked in the state department. That's quite correct. I've recommended some good junior officers I've run into over the years for this job. One or two of them have been actually selected. What I've always told them is that it is

the best way to find out how the state department functions. Unlike all those organograms they gave us in the A-100 course. You learn that vast parts of the department do very little of any great moment. Small parts of the department are extremely important.

It was a good way, it was the best way from my point of view, to figure out how the state department works.

Q: Did you find that Vietnam was sort of overwhelming everything?

MCCARTHY: Well not in that particular period. Maybe because of the way Vietnam was run. What am I saying.

I think there was a Vietnamese task force. It probably ran a similar kind of watch system. We were involved in Vietnam but more peripherally. It was really other crises that got the Op Center involved.

The '67 War was really very dramatic. This was when there were riots in almost every Arab capital. I think it was Aleppo where we were getting these flash telegrams from the staff recounting their progress from the front door to the safe area, out the back window. Everybody was alive. For a day or so we were worried about the physical safety of our staff at these embassies. Then we were worried about what was going on. That was one of the big things.

I don't remember very many specifically Vietnam events. I think it is because that was a big operation, they did it all themselves.

Q: I would think so. Tet took place about that time. That would have been January of 68.

MCCARTHY: When I would have been there. Maybe I wasn't on duty. It doesn't really ring any bells.

Q: In a way, I think it was probably taken completely out of the Op Center.

MCCARTHY: I have a feeling that's what was going on.

Q: You left there and what happened?

MCCARTHY: I'm trying to remember how it happened. I'd always wanted to go to southeast Asia. I didn't get the Cambodia assignment. Somewhere along the line, somebody asked me if I would be interested in Thai language training and I said sure, I'd love to go. I did know before I left the Op Center that I was going into Thai language training.

Q: You took Thai between 68 and 69. One question I'd like to ask before we move on to the training, when you arrived in Brussels, Douglas MacArthur II was ambassador. Although you didn't really have much to do with him. He's sort of a controversial ambassador. What were you getting when you arrived, sort of from the embassy.

MCCARTHY: On the gossipy side, his wife was every bit of the terror that she's been described as being. I only had correct relations with him. It seems to me that I must have come down and sat at staff meetings 3 or 4 times. He was interested in what was going on in Antwerp and he listened. We had a good relationship but rather remote. I arrived in January and he must have been gone by June. I was in a different city all of the time. I don't think he came to Antwerp during the period that I was there.

Q: Thai training from 68 to 69 took place here in Washington at the Foreign Service Institute. How did you find Thai language?

MCCARTHY: I did fine in it basically. It was tedious. I didn't really want to do the hard languages, at least full time, after I took Thai. It took too much time. It was a 44 week course. It was tedious. Thai is a tonal language. It's got no loan words, to speak of, from any language I spoke. The grammar is quite different. The way one puts one's thoughts together is quite different. It was really quite a challenge.

I was lucky, however, because when I got to Thailand instead of being assigned to Bangkok, like a lot of my friends, I was assigned to a consulate city where nobody spoke English so I got to use my Thai. So within a few months of getting to Chiang Mai, unlike my buddies who went to Bangkok, I was actually comfortable in the language and I ended up with a 4/3+. I became very competent in Thai and it was based, at least the building blocks, all came from the language learning period of time.

Q: You arrived in Chiang Mai, you were there from 69 to 71. What was the situation in Thailand at the time?

MCCARTHY: This was already Nixon time in the States. We were already beginning to withdraw from Vietnam. We were looking for a negotiated solution. From the Thai point of view, we were sort of off the mark. They were a little worried about us as reliable allies. At least in the provinces, they couldn't figure out why we didn't drop nuclear weapons on Vietnam. That would have helped win the war, wouldn't it?

In a sense, that was funny, that was strange. There I was coming from Belgium which had turned against American policy on this one point. From a year in the states where everybody was questioning what we were doing in Vietnam. To southeast Asia where people were questioning it too but from exactly the opposite point of view: Why are you Americans debating this? Just go in there and bomb the hell out of them, basically.

So Vietnam wasn't an issue with the Thais. It was more an issue of internal discussion among people at the consulate. So that wasn't a problem.

The serious insurgency in Thailand was happening in the northeast. But in northern Thailand there were insurgent areas, it was probably backed by the Chinese, by the communist regime in Laos, ethnic people, Mao, hill-tribes people, in several of the provinces that were in our consular district. So a lot of what we did consisted of going around.

The consulate was small. There was a consul. Most of the time I was there, in fact all the time I was there, Wever Gim, myself, I was the political officer and then there was another person who did the administration and the consular work, whatever else had to be done.

But Wever and I, Wever in particular but I as well, went around and did a lot of reporting on what was happening in terms of the individual provinces in our consular district. There were about a dozen of them. Or what was happening in terms of development, in terms of institution building because we were into that.

The USIS operation was enormous in those days. Very much like Vietnam, we had something like 12, around the country, 12 branch posts. In our consular district in addition to Chiang Mai there was one other one in a place called Pitsanulok and I would go there once in a while. We were trying to win hearts and minds, we were very involved in that, and reporting on the insurgency.

It was, again, a very interesting job. A lot of traveling around the district, a lot of reporting, a lot of meeting people. Chiang Mai has its own university. There were a fair number of Brits on the staff of the university as well as very interesting, very well-turned out Thai people. We had a very pleasant couple of years in very good company.

Q: With the insurgency could you get around very easily?

MCCARTHY: Yes, you had to be a little careful. There was in fact one terribly dramatic awful moment toward the end of my time there. Three of our USIS Thai employees had gone to a province called Nan. In an area where we had all traveled and had assumed was safe but for whatever reason they were ambushed. Their jeep was ambushed. They were killed. We buried them. Tremendous catharsis. Really very unhappy people, very strong emotions.

I was never at risk, in any way. I would go to the provinces. They were the ones in the north basically, right around the Lao-Burma border. Talk to the governors, talk to the vice-

governors and talk to some of the local police officials. Basically reporting on what was going on.

The Thais have done very well. I was back as a tourist a few years ago. That's really pretty much all behind them.

Q: Who in the insurgency, who was doing what? Were these local Thais, tribes people?

MCCARTHY: Tribes people pretty much. In north Thailand it was tribes people disaffected from the Thai majority. In northeastern Thailand it was peasants who were ethnically Thai but north easterners who also felt that Bangkok, the central Thais, had mistreated them. It was financed and arms were brought in from the Soviets, the Chinese, the Vietnamese, the Laos.

The other thing we did and that was kind of fun — Burma. Everything going on in north Burma. The Shan states, the Kerrin rebellion, the leftover nationalist Chinese groups who had gone into drug running from the late '40s. Everybody was up in Burma and you would pick up tidbits about them once in a while.

There was one wild group of American missionaries who had been ordered out of Burma sometime in the mid-60s. Instead of obeying the order to leave, they led 5,000 Lahu tribes people up into the mountains somewhere and they lived there for several years. This was an old missionary family that had been in Burma for 75 years or so. One of the wives eventually got tired of it and she and 6 of her kids walked across the border one day. Somehow, I was delegated to deal with her. She decided that she would stay in Chiang Mai, trying to convince her husband and the rest of her family to come out. They did in the end but I was gone by then. But it was dramatic.

Burma was always romantic and weird. Anything going on in Burma was strange.

Q: Why don't we stop at this point? We'll pick up a little more with Chiang Mai dealing with the military as we had big bases up there and all that.

MCCARTHY: Not in north Thailand.

Q: So Chiang Mai was not really a military...

MCCARTHY: Chiang Mai, very much by Thai design, was kept off limits. They never allowed the north to be used as an R&R post directly by soldiers coming from Vietnam. We never asked but I think had we asked they wouldn't have. Because again, it was too remote. We never built any bases in the north. All of that was in northeastern Thailand. Totally different world.

I went over there a couple of times. I had a good friend in USIS who was in Ubon, Udorn later, one first then the other. There what an American was doing, an official American, was very much tied up with the military presence.

North Thailand was immune Thailand, it was really rather very pleasant. I think the Thais did it on purpose. They liked the north. The north has the most beautiful women in the world, according to the southern Thais, in Chiang Mai. It's the site of the old cultures and they didn't want us to spoil it. They succeeded pretty much.

Q: Did you have any problems with relations with the embassy? How did the embassy treat you?

MCCARTHY: Very well, basically. The man who was the ambassador there, Leonard Unger...

Q: We've interviewed him too.

MCCARTHY: He was wonderful. I kept him in mind myself later on when I was dealing, largely as DCM in Islamabad where we had 3 constituent posts, I had Leonard Unger

very much in mind. I never went to Bangkok without my phone ringing in the hotel and the ambassador inviting me for lunch, tea, a reception whatever he was doing. He always made time for me in the office, and he always saw us socially somehow. He was superb. From that vantage point that's how he ran his relations with the consulates. He wanted you to be an integrated part of the embassy.

Q: One last question maybe on this, maybe something else may occur later, how did you find Thai officials that you had to deal with in your area in the north?

MCCARTHY: That's an interesting question. They were, first of all, very polite, incredibly polite. They recognized me, particularly the senior ones, the governors, the vice-governors, the ones I would normally see as a consular official, as someone from the American government. They knew that we were allies. They knew that we were trying to help them. They were rather forthcoming. They would pretty much tell me what was going on in their area. So relations with us were fine.

Thailand was then going through a lot of pangs in terms of modernizing itself. It was quite clear that relationships between officials and citizens in Thailand were traditional. What that meant basically was that they were corrupt. There was not very much government and what government you got you paid for if you needed to have a service performed. In terms of the way the government worked, vis-#-vis its own people, it was not very good particularly in these remote areas. I think that was the root of some of these insurgency problems. I think the Thais have gotten beyond that.

I think they've done a marvelous job of sort of modernizing their structure and bringing themselves together. We were back there, must have been about 87 from Pakistan, just as tourists. We went to the north and it was incredible how much had been done.

So two things, dealing with me as an American — marvelous, wonderful people, very helpful. They sometimes told us what we wanted to hear, as well. You get used to that.

But, in terms of running their bureaucracy it was kind of scary. They were still rather primitive.

Q: Okay, why don't we stop at that point and we'll pick up, essentially, where you went after you left Chiang Mai.

Today is September 1, 1995. John, let's see, we've got you out of Chiang Mai in 1971.

MCCARTHY: The very beginning, January.

Q: So, where to? Was there anything you wanted to talk about more that we didn't cover?

MCCARTHY: No, we were finished about Chiang Mai. But I think one thing that would make sense, in terms of laying this all out, why I didn't do what I was suppose to do next. I had Thai language training and my anticipated career was 2 years in the consulate followed by 2 years in Bangkok. And, in fact, I already had an assignment to replace a guy who was doing the political/military job in Bangkok. But my wife had become ill about 5 or 6 years before this. In Chiang Mai the illness, it was a blood disease, took a turn for the worse. In fact, we had to come back to Washington where she finished out the rest of her life as a patient at NIH. I needed to stay in Washington.

This was one time, I've made a couple of complaints about the state department personnel system but this was, in fact, one time when they were very helpful to me. Because the guy who happened to be my career counselor whose name was Pratt Byrd, I think, was very sympathetic. Found me not only a job where I could stay in Washington but found me a good job so that I was able both to help care for my wife and keep an eye on my career.

Q: Sometimes, these things, they say we'll fix it up but it's almost a holding pattern.

MCCARTHY: That's right. It was a good job. I worked in the international organizations bureau, IO, in an office for UNP, the UN political office job. I was doing, what a friend of mine used to call, the schizoid countries. My brief included east and west Germany, north

and south Korea, whatever we were doing in those days with respect to Vietnam, which wasn't very much, in the UN context. The big issue was Korea and whether or not we would move. Well, there were 2 big issues, this was the beginning of 71.

I was responsible for looking at Korea. There was a new guy in the state department then, I guess he came from the university world, he went on to become our Under Secretary for political affairs much later, Mike Armacost. Mike, I think, was sitting in S/P. He, and other people, were saying that our Korean policy was running the risk of becoming bankrupt. We basically had a policy of non-recognition of North Korea.

We didn't even allow the subject to be debated in the UN context. Each year we worked very hard to get together all of the votes necessary for a resolution which basically said — nothing new to say about Korea, let's continue the way we are. Each year, despite our efforts, we'd lose two or three adherents, all the new members of the UN didn't understand much about the Korean War. They hadn't been independent at the time and they didn't buy off on the approach. As I said, we basically looked at ways to take a new look at how we dealt with Korea in the UN system.

Not too much came of that because the second issue kind of swept it all aside. I was in the UNP from around March of 71 until the following summer, summer of 72. But by late summer of 71, I, and a number of other people, had been drafted onto a task force that was dealing with Chinese representation on the UN. This is the year when people like myself were working very hard to, again, line up the votes for the usual China resolution which kept the Taiwanese in and Beijing out. All the while that Henry Kissinger, unbeknownst to us, was traveling to China. We read about this in the newspaper one day in August and suddenly the whole issue was totally different. It was over, the whole thing was finished.

So it was an interesting time to have a job like that. It was only a little bit over a year but I enjoyed my exposure to the UN world and actually participated in a couple of interesting subjects.

Q: How did you find, on this Korean thing, because you know in my interviews it's always lining up the votes against communist China, particularly in many of the smaller countries was sort of our prime thing we wanted out, that vote. We had all sorts of AID goodies or threats or everything else just to get that vote. But the Korean one, to keep North Korea just a non-issue, I haven't heard much about this. What were some of the pressures and how did you see this thing working, in this time the 71-72 period?

MCCARTHY: We were getting on towards the 20th anniversary of the end of the war and yet nothing much had changed. In some ways, nothing much has changed now, 20 years after that. Things have evolved but obviously the issue, 40 years after the war, 40 plus years after the end of the war, the situation is still irregular. But in the early '70s it was as though, we really were — it was remarkable, I'm not even sure the Chinese resolutions were quite the same — I don't think there had been a change in wording on 1 or 2 of the resolutions involving Korea in something like 16 or 17 years.

Some of the countries that were willing to support the resolution along with us, nonetheless were trying to convince us that it made sense to change a couple of the preamble of a paragraph to take into account one or two developments here or there. We would always pretend we were interested for a while but, by and large, in the end would say no, it's better not to cloud the issue, let's vote it the way it was voted before. Sooner or later, as I said, we would line up enough votes and it would go through.

I guess what made it relatively easy is that unlike communist China, North Korea was, number 1, relatively small and number 2, would generally oblige us by committing some sort of egregiously awful action in the same time frame. As we tried to line up votes a couple of North Korean border guards would beat up either some Americans or some

UN types, or would refuse entry to somebody, or just do something awful enough to have people say, “Oh my God, they really are hopeless, aren't they.” So, the time just wasn't right for much of a change.

What interested me, this was the first, I think the last time we said that my first job, working job in the department, was in the operations center. I learned there, kind of, how the department worked. This is now 3 years later. This is the first time I actually worked in a unit of the state department and had responsibility for a given set of issues. I recall that at least on this particular one, one thing that amazed me was how quickly I became the house expert on the issue. In this case how you deal with Korea in the United Nations.

I had a wonderful friend, whose name was Louise McNutt, who was a civil servant who worked forever in the regional office in EA, she befriended me. She took me into her office and showed me several walls worth of files. She was always in trouble with the people who managed the state department because her office was a fire trap. But she had everything you could possibly have relating to any issue that ever involved an Asian country and the UN. Her bag was the UN. With her help I very quickly became recognized as the state department expert on this particular little issue.

That meant that when Mike Armacost and whoever the DAS was, the name escapes me now, responsible for north Asia, and somebody in the Secretary's office, and at one instance the Secretary himself, this was William Rogers, wanted to talk about the issue, I got invited to the meeting. So I think what I learned there was that, again although the state department is a large bureaucracy, when you are responsible for some particular item, you are responsible. You call the shots, you write the papers, and you get to participate, by and large, in all of the key meetings.

This remained true over my career. When I was doing Lebanon, when I was doing Middle East, when I was doing whatever, I very quickly became one of the inner circle. To me

that's an interesting thing about the state department. To the extent that I understand how the other departments in Washington work, not quite as true there.

What I mean is that it seems to me that most government departments that I've dealt with — that tends to be Agriculture, Commerce, to some degree Treasury — they're far more layered. No matter how much you know about an issue, the only people who get into the Secretary's meeting are the assistant secretaries or maybe a deputy assistant secretary. Whereas in State, consistently as I've seen it, when you are the man with some information you will work your way into any meeting, no matter how restricted it's supposed to be, because people have a respect for people who know the facts. I think that's positive.

Q: I do too.

Did the South Korean embassy wine and dine you, or anything else like that? I just wondered how they operated.

MCCARTHY: Even though I was, after all, a fairly unimportant cog in an office that only dealt with one aspect of the relationship between Korea and the United States, the answer is yes. I knew all of the people on the Desk, obviously. We, I and they, fairly often would be invited out to very nice lunches around town. These were the days before there were any kind of legal restrictions on accepting lunch invitations. It seems to me I went to the Jockey Club, for the first time in my life, thanks to the Koreans. A few other places like that.

Q: Did you have much to do with our UN delegation on this, were you back stopping? How did you fit in with our mission to the UN up in New York?

MCCARTHY: Again I think one of the interesting things that we have never resolved as a government since the UN was created, is how our ambassador to the UN and our assistant secretary for International Organization Affairs, in a small way but really the state department as a whole, relate to each other. Who's in charge and dealing with these issues.

I've got an example of that. Yes, I went up to the UN a couple of times, certainly spoke everyday on the phone. These tended to be both political issues and legal issues so I tended to speak both to the people in the political section at USUN and also with the legal advisor, who was a guy who had been there forever and, again, knew what we did 4 years ago to get around a particular procedural issue raised by whatever countries.

The way these resolutions worked, I'm not sure it's still true in the UN since things have become a lot less static, but in the old days of east-west confrontation in the UN, a lot of the resolutions were relatively hoary. They came up year after year. We would want one to come out in a given way but maybe Australia would be the traditional co-sponsor and leg-man on a given issue. On the other side, Albania might do the same thing, or Bulgaria or Poland. There would be procedural gambits year after year. You would always need to stay in very close contact with USUN. Since I mentioned the legal office in particular, to make sure that nobody was throwing procedural hurdles that you hadn't already dealt with or didn't know how to get around in some earlier General Assembly.

I guess the point that I didn't make clear was that I always felt a lot of tension. I'm trying to recall who was our ambassador to the UN in 71, the name escapes me right now. Actually, it was George Bush. But that person, and the assistant secretary, who was a very nice guy but not a particularly high-profile guy, and that isn't always the same, Sam De Palma. I think the guy in New York tended to do a lot of end-runs around Sam, in the year I was in IO. There were other times when the assistant secretary has, in fact, dominated the person in New York.

But the underlining point is that no one ever really resolved how the person in New York, who sometimes has cabinet rank, really is a subordinate of whom in Washington, certainly very few of them have accepted to be subordinate to the assistant secretary. Many of them didn't accept to be a subordinate to the secretary of state. When you're working in the trenches, as it were, you get a lot of insights into what's going on.

Q: How about lining up the votes, did you ever find yourself on the phone calling the Togo desk saying, "Goddamit, you've got to get Togo in line to vote," or something like this?

MCCARTHY: That was particularly true when I was working on the Chinese representation task force. I guess I started this job in March, maybe by July or so, I was working close to full-time on the China votes. There were a couple of guys who were running the operation. Four or five of us who were soldiers in the cause. This was sort of still the pre-computer age, at least in the state department, so we were doing a lot of this with yellow pads and pencils. There were circular telegrams to every post in the world requiring them to go in and make representations.

By the time I was doing it, the first wave of those telegrams had gone out. We had our responses and we had the yes votes sort of put aside and we would check on those once in awhile. But we pretty much knew we could count on those. But all of the countries which had either said no, they would vote the other way or, really the ones we were interested in were the ones who were undecided. By this time we were going out for the 2nd, 3rd, 4th cables saying you've got to do it. Telling the embassies and telling the regional offices that if it had been done at the political council level then it certainly had to be done at the ambassadorial level. Would a letter from the secretary of state, would a call from the secretary of state change the way country X was going to vote.

I think, some of this may be hindsight, but my guess is that there were more countries than usual on the fence that year. Because first of all the issue was getting embarrassingly old, China was a force to be reckoned with. Whatever one had to say about the power in Taiwan, it was clear that in the short term it was not going to speak for all of China no matter what it was saying. I think there was probably some sense, in some foreign ministries, that even the United States government wasn't necessarily totally behind the talking points that the local American ambassador was delivering with increasing

irritability as the summer proceeded. As I said, by the middle of August the whole exercise collapsed, embarrassingly for the department and our overseas posts.

Q: What happened, can you give a little feel for the atmosphere. I mean you're sitting in this sort of like a boiler room operation. It's like the Red Cross campaign or charity campaigning. Everybody has the feeling, I mean once a year you go out and do your thing, everybody's on the phone, sending cables, trying to get this. Here you're in the middle of what has become a fixed institution and all of a sudden you're cut off not at the knees but at the groin, practically. Can you describe the way this happened and sort of what happened thereafter?

MCCARTHY: Although you would expect a lot of anger, in fact I think there was a good deal, the feelings were bittersweet. After all, what Kissinger and Nixon did was take a policy that was increasingly becoming stupid and inject it with a good deal of relevance. People who cared about the issue of China couldn't be anything other than really happy that we were going to move towards a normal relationship with the biggest country in the world.

So that the anger that you would have anticipated, “Damn, why did they do this to us,” wasn't that full blown because what they were doing was what people who thought about the issue thought needed to be done anyway. I think the annoyance flowed from the fact that it was yet another illustration of how irrelevant the state department had become to some of the central issues of foreign policy; that Henry Kissinger ran this out of his back pocket.

I got, years later, to see the other side of it because I was assigned to Pakistan and some of the Pakistani players had been the same, had been around when Kissinger was running his little shuttles out of Pakistan into China secretly. It was fun to get their points of view on what was going on.

It was the secrecy, the fact that the state department apparently couldn't be trusted to implement a change in foreign policy. That was annoying. But the underlining change was something that most people in the department were happy to see coming about.

Q: When I came into the foreign service in 1955, no expert on this but sort of my gut feeling was: Gee, this 2 China thing, pretending that China doesn't exist, doesn't make sense and I hope that eventually we can get around to it. It never seemed to be the right time but non-recognition, I think for an awful lot of diplomats, was not a very satisfactory policy.

MCCARTHY: Although, again, maybe I've been lucky to work on several issues that have taught me that just pure rationality doesn't work in foreign policy. Because the aspect of the China policy that made things difficult for a long time was what's going to happen in domestic public opinion.

Where I really saw this in spades was when I was ambassador to Lebanon. The most sensible approach to take on a given issue, wasn't always the one that the US government had the domestic freedom of maneuver to employ. Because, in fact, if you did something reasonable the China lobby could have gotten you. There were millions of people ready to sign petitions at will throughout the '50s and the '60s. And, of course, things do change. Probably by the early '70s the situation was a little bit more open to change. And you had a republican stalwart in the person of Richard Nixon who could get away with things that no “soft-on-communism crypto fifth-columnist” democrat president would have dared. The politics were different.

Again, my basic point is I have a healthy respect for the role that domestic policy plays in our foreign policy. I think it makes sense. I'm not complaining about this. Some of my colleagues, I would say, would criticize some people in the state department. That's where the foreign service has gotten ourselves in trouble, I think, over the years. By wanting always to, by seeming to prefer the rational approach: This is what we should

do. Dismissing, rather cavalierly, the fact that there really are domestic forces that would disagree with you. And might have a very good reason for doing so.

Q: That's an excellent point. Then you left this.

MCCARTHY: I left UNP after about a year and a half. This was a stroke of luck. I was asked if I wanted to do university training at Harvard University. I had been applying for several years and the timing was right. It was an excellent time for a change in my private life. By this time my wife had died. I was a widower, I had 2 young children and I was really interested in making a break. Doing something different in terms of my personal life. The opportunity to go to Harvard, to go to the Kennedy school, to pursue what they called Atlantic Affairs, basically west European studies. It was very attractive to me because it really was — we didn't talk about my own ideas towards a career in any organized way.

I did French Africa by choice as my first post. That assignment pretty much convinced me that that was not a part of the world where there was any vital US interest. Nor was I terribly interested in pursuing a career there. So that I always considered as something that I'd done and didn't want to do again. Asia I liked and yet I felt a certain detachment from it, not detachment. I thought it was really a very complex place and that I wasn't going to be able to make much of an impact during a given career on a region where every country, southeast Asia, every country talked a different complicated language. It was something that I felt I didn't have time to deal with adequately.

Whereas by this time, my interest in Europe, which was something that dated from my education, from my days at school, was very strong. I wanted to get back into European questions, basically. So to go to Harvard, to do Atlantic Affairs, seemed ideal. So that's what I did in the academic year 72 to 73. 71 to 72 in UNP, 72 to 73 in Cambridge.

Q: Can you give me a feel for, I mean the Vietnam war from our point of view, we were getting out of Vietnam, what was the atmosphere of Harvard? You'd been dealing with things from a different perspective and all of a sudden you're here. Here is the academic

world, students are still pretty strident and all that. So, how did you feel? What was your impression?

MCCARTHY: I'm trying to get back into that time. I don't remember that much stridency about Vietnam in Harvard. This, after all, is the end of 72 and the beginning of 73, we were finishing up.

Q: The draft was over.

MCCARTHY: There weren't demonstrations. The big issue, again maybe it's headlines and maybe it's coincidence. First of all, I was in the Kennedy school, I was treated as a graduate student. Which really was very nice, the way Harvard runs things there. That meant that any of the Harvard institutions in which I was interested, that meant the Kennedy school, there was one called the Center for International Affairs, there was one called the West European Study Center. Any of these organizations that were doing things that I was interested in automatically invited me as a graduate student to the most intimate of faculty seminars. So you get wonderful exposure.

Partially I was living in a rarefied intellectual atmosphere, the people I was associating with by their invitation were really some of the best Harvard minds of the generation. So I wasn't necessarily mixing with undergrads constantly. I audited a couple of undergraduate classes, courses that were open to undergraduates. Everything that I took was on a graduate level but they were open to undergraduates. So I mixed with a few of them that way.

I had a friend who was the son of a colleague of mine, who was an undergrad at the time, so I met others through him. I don't think they were that excited over Vietnam. Coincidentally I went out with a girl who was a Venezuelan, who was wild on oil. Through her I met some Kuwaitis and some other people from oil-producing countries. Really Arab oil questions.

Q: OPEC and all that sort of thing.

MCCARTHY: That's right. This was 72, 73, that was more the order of the day. If there was a big issue around which people coalesced in the year that I was there, it was in general the developed world soaking the poor countries of the developing world, just stealing their natural resources with oil as the product, as the commodity of particular note. But the general theme was — of the year that I was at Harvard from these people I knew and from a lot of the discussion as well — how do we equalize what is going on in the world, how do we manage to raise the economic well-being of the developing countries which have been so long manipulated by the governments of the developed world. And, an interesting thing because it came back again later on in my career, the multinational corporations and the oil companies in particular.

Q: This was when multinational...

MCCARTHY: ITT in Chile, all of this stuff was going on the year I was there. So the campus atmosphere, to the extent that it looked towards politics — because there were always people worried about the next exam, and what they were going to do, and where they were going to go when they finished and whether they had a job or not — but I would say that Vietnam was almost pass#, it seems to me. I can't remember anything happening on campus at Harvard involving Vietnam. Everybody was waiting for it to be over.

And, of course, the Harvard faculty loved taking pot shots at Henry Kissinger because he was one of them and he'd gone on to fame, and they were sitting there at Cambridge basically second-guessing. So I would say the faculty did a lot of complaining about how slow the pace of the negotiations was and how little was happening. The actual campus tended to be more interested in third-world development issues.

Q: This was also an interesting time being in European affairs, the Common Market was sort of beginning to look like the a thing as far as coalescing and the European community. What would you say was the thrust of whither Europe during this early '70s?

MCCARTHY: There were several things going on. It might have been the summer of 72 when Henry Kissinger gave a very influential speech somewhere in which he said that the United States was a global power and the European countries were regional powers. And that's the way the world was.

I think his message was part reality and I'm sure he did it in part to try to sting them into a somewhat more responsible role in the rest of the world. Nonetheless, there was this sense that western Europe was moving downward toward some second echelon order of importance in one way. I took the most famous seminar, at least it seems to me, at Harvard those days in terms of international relations which was taught by 2 professors named Bob Bowie and Ray Vernon on European integration.

Q: Bob Bowie had been Policy Planning staff because I had an interview with him a long time ago.

MCCARTHY: I think he came back later, if not at State then at Defense because I saw him once or twice after these Harvard years too. Vernon was out at the Business School. Anyway, they did a very good course on European integration. A lot of very prominent visitors throughout the year, a lot of very interesting discussion. Stanley Hoffman was doing several courses while I was there and he was very interested in the subject as well.

So there were two trends. In one way: Was Europe becoming a secondary power? In another way: This was a fairly good time for European integration — good things were happening in Brussels, there was talk of expanding the community toward more countries, in fact that was happening. This was around the time that decisions were made to admit

Britain, Ireland and Denmark. They may not have completed the transition, I guess they were coming in at that time.

Anyway, it was an exciting set of issues to be studying, to be talking about. It was a wonderful year. During that year, as always, I was trying to figure out what I did next in the state department. Nobody had made me any guarantees. The department, in its wisdom, had assigned me to Harvard to do Atlantic Affairs but had not yet come through with the ongoing assignment.

What I was offered, at first, was something in INR, I hope I don't offend too many people but I never wanted to work in INR. I've always regarded it as a place that puts a little smudge in your record, somehow, that you have to overcome in the future rather than help you. I've got friends who disagree and I have friends who've done very well later who passed a tour in INR but I didn't want to go there unless I had to.

Q: It's certainly not in the action side of things.

MCCARTHY: During the year something else emerged that was kind of daunting. There was a job in an office called EUR/RPE, the regional political economic office. Obviously that was much more main stream than INR. The daunting part of it was that they asked me if I wanted to be the agricultural trade policy officer. I knew about as much about agriculture as I'd learned from my father growing tomatoes in our back yard when I was a kid and really had done nothing since. So I thought, I don't know anything about this subject but it sounds like a good job in a good office. So I took it and that's the next chapter, in a way.

The year at Harvard was wonderful. You're not interested maybe but in terms of my private life it was very good for coming to grips with the fact that I was no longer married to a woman I really loved a good deal. Had I stayed in Washington, my sense after the first 8 or 9 months of widowhood was that all of our old friends were going to continue to treat me like half-a-couple. It wasn't working. I wasn't getting beyond my wife's death the way I think

I needed to. Spending a year in a new place where nobody knew anything at all about her, and where I wasn't able to fall back on these old friends who knew the two of us, was wonderful. I think I returned to Washington a much healthier person in terms of my mental outlook.

Q: I always think, on the agricultural side, it's not one of the great strengths of the foreign service. I can remember driving on a field trip with Larry Eagleburger and we're looking and saying, "Gee, the crops look great." And then we said, "What is it?" Neither of us could tell. It was green and sticking up there.

How did you bring yourself up to speed on agriculture, before we get into what you were actually doing?

MCCARTHY: I must have begun this job in August of 73. I wasn't in the office for more than 48 hours when there was a major meeting, a major consultation between a guy whose name was Bill Casey, who was then our Under Secretary for economic affairs and went on to become more famous as the head of the CIA, and a man named Soames, Sir Christopher Soames.

The Casey-Soames consultations of August 73 revolved heavily around agriculture. There were several issues that were very important. They happened, as I said, a couple of days after I arrived. I was the note taker for these subjects which I really knew a little tiny bit about from the seminar I had taken at Harvard, but really very little. And Casey, if you don't know, was notorious for being a mumbler. So in addition to not understanding the substance, I sat as close to him as possible in this room and still could barely decipher what it was he was telling Mr. Soames. And we went on in that vein.

Luckily, I was with a bunch of very talented people. A man named Abe Katz ran the office. There was a guy name Tony Albrecht who was my immediate boss. They were very

patient with me and worked me carefully through a whole lot of different fairly exotic terms of the art. But it was a baptism of fire.

I guess the answer is that, in a way, although it was agriculture, although it was trade policy, there are vast similarities between the different kinds of issues that diplomats deal with, it seems to me. They had a position and we had a position and what these people were trying to do was to figure out a way where we could live together with these specific issues. From our point of view, the absolute anathema attached would have been any kind of restrictions on exports of American soybeans into Europe. From their point of view, the need, somehow, was to protect their own competitive corn and other kinds of grains. The real mistake they had made years before was to give us a zero-duty tariff binding on soybeans.

At any rate, the issues were both esoteric and simple. Trade policy, like any other kind of policy, involves your needing to get something, the other guy needing to preserve something, and if possible, you're making a deal. I think I was able to cut through to that fairly quickly. And, we have USDA, and we had the trade representative's office staffed with good people who would, in fact, help me out on the substance. And we had our own people in our economic bureau.

I worked very hard. I remember really feeling quite overwhelmed with the portfolio that had suddenly become mine. But, maybe shamelessly, going around asking people to tell me what all this really meant, and listening carefully for the first few months.

Q: Right now I'm in the middle of a set of interviews with Julius Katz.

MCCARTHY: A wonderful man.

Q: He described his role in this. I wonder if we could talk about how you perceived, particularly the principal players which would be the French, the Germans, probably the Dutch and the British, when we were dealing with these agricultural issues.

MCCARTHY: I have a fair amount of perspective on it because although I started in the summer of 73 in RPE in this one job, by the summer of 74, I had been kicked upstairs to be the trade officer which meant that I supervised both agricultural and industrial questions. One person did each of those in RPE. I did that for two more years and then I was assigned to Brussels where I was first, for 2 years, the trade officer at our mission in Brussels. Then ultimately the economic counselor for the last 2 years. So I dealt with these issues from the summer of 73 until the summer of 1980. A nice second echelon kind of job.

So that took me from, I guess I began under Nixon, but certainly the Ford administration and the whole Carter administration. So both republicans and democrats. Dealing with some very important issues in terms of billions of dollars of trade and, as you already mentioned, involving several major European players. Each of them saw it from a very different point of view.

The annoying, and I'm sure Jules Katz has told you this, one of the things you had to be careful about, it seems to me. When you were pushing the Europeans on the agricultural issues was the fact that the basic French-German alliance and relationship was based on the Germans, more or less, being willing to pay the bill for some of the excesses in terms of agriculture subsidies because that was what the French required in order for the general relationship to blossom. You couldn't detach agriculture from the overall post-war set of relations among the countries of western Europe.

Q: When you started this, were you aware of this dual thing? We've got commercial interest. This always is a major battle. The state department doesn't look after its own commercial interest because we're always thinking of keeping NATO together or keeping the French and the Germans from going at each other again, or something like that. Was that a battle that was fought inside the European bureau, or not?

MCCARTHY: I think I was generally aware of the need to relate the specific issue you were dealing with to its overall context. Certainly I got to be somewhat expert in that throughout the course of the 7 years because that was a constant theme. You could have chicken wars and you could have cheese wars in the '60s and the '70s, you could have those things. Some of this goes back, I think, to the Kennedy administration. You could have them but I think until the collapse of the Soviet Union much later, you couldn't afford to let them out of control. Because, in fact, there were always bigger issues at stake.

One point that I keep wanting to make on this is that in this period, 73-74, on the agricultural side, I remember being amazed, astounded that first the vice-president of the United States and later the president of the United States, Gerald Ford, was very interested in what I was doing. Because he came from Michigan, and Michigan had a lot of dairy industry and the dairy people were always calling him to find out what the hell we were doing about European cheese exports. Which at that time were, again, facing countervailing duties. They were being accused of subsidizing them. I learned very quickly that although, back to the point that we were making, although you have to keep trade disputes within the context of the overall relationship, there were very powerful American politicians who were quite willing to throw that theory out the window if their constituents interests were being violated, or they were convinced they were being violated by a given issue.

So, yes, you had to keep things within an overall context. But there would be times when our policy would be quite driven over a trade issue for a period of weeks, months whatever. I think that all of these times that we approached these deadlines, and Mickey Kantor the current trade representative has had a few of these, when you get up against the clock and you've only got till midnight to solve it. These are not unreal issues. To some degree there's some element of theater involved, but there is an element of risk involved as well. I think that both sides were forever confronting that.

Agricultural trade in the late '70s was a major item. Much of this time, of course, Ford left office and Carter took over. We were trying to finish up something called the Nixon Round. Ultimately it was the Tokyo Round because people, the Carterites, didn't like calling it the Nixon Round. We were trying to finish this. Bob Strauss became the US trade representative.

Strauss was wonderful. By this time I was in Brussels.

Q: You went to Brussels.

MCCARTHY: I went to Brussels.

Q: 76 to 80.

MCCARTHY: That's right, as economic counselor, in particular, for the last 2 years. Strauss would frequently come to Brussels trying to pin down the very difficult set of issues involved in this Tokyo Round of negotiations. And always telling me, when he would land at the airport, that he knew the commission, the people he was dealing with, couldn't give away the store. His real job was to figure out what they needed, what he needed and to try to make a match so that both sides could go back home and say we did the best we could and it ain't that bad. I enjoyed working on trade issues because it solved for me the question that sometimes arises, I think, in the mind of any diplomat. Is what I'm doing really real, what's happening here. But I think on trade issues the answer is apparent. Yes. You can increase the exports, you can contribute to job creation in the United States. There is reality in all of the trade issues.

Another famous quote which is from Bob Hormats who was a guy who was working as a deputy trade representative and later became an Assistant Secretary. Bob used to say that arms control policy was clean foreign policy and that trade policy was dirty foreign policy. But I like the trade issues, you always have to remember where they fit in the overall relationship. But you had to deal with them on their individual merits. In either Washington

or Brussels I did a lot of stuff with textile people. Those American textile manufacturers are tough, you had to listen to them, you had to figure out where they were coming from but then you had to try to get them to listen to the other side's positions issue as you understood them anyway. Deals were possible, deals have been made. None of these issues have led to an irrevocable breakdown between us and the European countries. But each of them has to be dealt with to some degree on its own merits. You can't hurry too quickly to put it in the overall context of the relationship. Or you'll get screwed over by the Europeans or attacked by your own constituents.

Q: I suppose part of this, but both sides were the same but you just don't understand our domestic situation.

MCCARTHY: Sure, sure. And again there was truth to all of that but what the countries of Europe have successfully managed is the transition from a situation where say in France there might have been 25% of people living on the land in the 50's and you might get 5, 6, or 7% of that population now. When I was doing the industrial stuff a lot of coal and steel I mean you had hundreds of thousands of people working in the coal mines or the steel mills. Those are practically nonexistent industries these days in Europe. But the job for the European leader was the same way it had been decades earlier for the American politician, was to manage the transition of these industries from enormous employers to relatively marginal employers in terms of numbers.

Q: First let us talk about RPE, and then we'll move to Brussels. How did you see your role, were you kind of putting together the arguing points and all for the negotiator and assembly? How did this all work?

MCCARTHY: Well, it was very much of being one part of a fairly large bureaucracy concerned with these issues. And what I mean by that is first of all the economic bureau in the State Department, you had to build alliances with the people in that bureau. You had to rely on them for a lot of the economic expertise. And you had to add what you

got from the mission in Brussels and what you knew on your own of what the European politics would bear. And then you had to really establish your credibility and work at maintaining it in the domestic agencies involved in these issues. The Department of Agriculture, Commerce, Treasury, and Labor Department to some degree. And the Trade Representatives Office. So you were really one element in a relatively large bureaucracy. And these other bureaucracies were controlled by people who were political appointees, very often chosen because they represented the particular domestic group whose issues were at stake.

I remember the first time I met him he was a Deputy Trade Representative, Clayton Yeutter, who later went on to become Secretary of Agriculture and was the Trade Representative for awhile too. I guess when I first met him he was an Assistant Secretary at Agriculture. But this was a guy who came out of a farming background and he represented farming interests from Nebraska, I think. But at any rate a guy who really was new to the ways of Washington and I think arrived thinking agencies like the State Department had been selling him down the river for years. You had to get Clayton, I remember one of our inauspicious beginnings was that Clayton was going off to Brussels to negotiate. He had a few people with him as part of his team, I was one of them. We arrived in Brussels after a long flight, we transited through London. My luggage arrived and his didn't and he was really mad. And I thought this was really too bad because we had just begun on the trip over developing a kind of relationship where I think I was convincing him to trust me. And here I go and get my bag and he doesn't, but he got over that.

But the job was to understand where the Europeans were coming from and to convey that to the people in Washington putting together the policy. Without having them conclude that you were just a patsy to the Europeans. My job was to try to convince them that you had to take the European concerns into account. And that being said you had to craft a position which would appear to do that and at the same time get at least the minimum you needed for American issues and interests.

It really was a fascinating job, and a lot of fun. Again I have lots of friends who complain about the interagency clearance process and the morass of Washington bureaucracy. But I never found it that way, I really liked working with these people. I thought it was kind of fascinating to start out with an idea and to work it through, have a dozen meetings with people from six or seven different agencies and emerge with something that really wasn't your original idea. But still represented enough of it so I never felt that I was betraying my own intellectual ideals or anything. But to have achieved consensus behind something that in fact you more or less began with, it was something you started. And it was maybe going to work, it was really going to achieve a result with the other side.

There can be gray days in the bureaucracy and grim plugging along. But to me when it is working well, the interagency process is very good because it means that unlike some of the countries where I have worked where the government position is whatever the minister dreamed about the night before and woke up and decided he would do. By the time you get a US government position on an issue of importance it is a considered position. It probably really does represent what the domestic constituents want and probably is good for the United States and it probably does not disregard the interests of the country we are dealing with either. In other words, it was a valid compromise. So, I always liked it. It was a good job, I thoroughly enjoyed it.

Q: How did you find, I mean you were in these interagency business, and I get various impressions from people I have interviewed. Similar places like the Department of Commerce, Agriculture and Treasury, how did you find response there and how was the State Department seen by these people?

MCCARTHY: I think initially the State Department, the general perception of the State Department was a bowl full of jelly, of Jell-O. A bunch of guys whose main pleasure in life is telling you that you can't do something because in this instance the Europeans won't like it. So, I think you always began against a background of very low expectations from your fellow bureaucrats. They always assumed that you were going to come in and tell them

they couldn't have what they wanted. It wasn't easy, in fact to establish some credibility at the moment that you began convincing them that that wasn't exactly where you were coming from, that you were open to be persuaded, that was one element.

At least in those days this is from mid '70s into the early '80s. After that, I didn't do European community issues anymore. But I went on in the economic bureau for another three years and still did issues that involved a lot of the same players. Seventy-three to eighty-three I worked with the other agencies in the economic community pretty frequently. My sense of them was that Treasury on the foreign policy side was very strong, if very thin on the ground. I mean very few people, but very good ones. USDA has the foreign agricultural service, and at least in those days was full of very competent people. A pleasure to work with, people who really knew their business quite well and were perfectly willing to share it with you.

Commerce I never really had much luck with. I thought that Commerce was bloated and very bureaucratic in the way that all bureaucracies in the US government are supposed to be. And as I said to my pleasure I didn't find the others to be that way. You had to get some Assistant Secretary in Commerce to sign off on anything. Nobody below that level seemed to be able to speak for the agency. It would drive me crazy. They would go through endless reorganizations and give themselves a whole bunch of titles generally, twice as many as they had before. And still as far as I can tell they were never capable of coming up with decisions.

Q: It seems to be the weakest of the agencies.

MCCARTHY: To me it was.

Q: And this is right from the beginning when I came in '55, and all along.

MCCARTHY: Well, I only worked with it for about those ten years. Well, more recently sure on bilateral issues in Tunisia in particular and some of the stuff from the Middle East.

It seems that way, I mean Ron Brown is a class act and a great big one man show. And I think that he speaks with a lot of force. Because of his own position in the Democratic party but the bureaucracy isn't behind him. When I dealt with the Mandela issues they were almost always disappointing, they just weren't there. USTR again very strong, my impression from my more recent days was that it stayed that way. It has found a way, by and large, to escape what happens to most bureaucracies which is growth and then layering. Maybe because it has always been in the White House, and somebody in the White House, at a higher level, has not allowed them to have more than a very limited number of positions. And you generally have very confident people who come in for 2,3,4 years, and run away with several issues, make a real impact and go on back into the private sector or somewhere else and do something else. But it can be annoying because it has almost no institutional memory. Few of the guys I liked the best over there could ever find anything in their files. Or they didn't have files—they just stacked some paper on their desks in sort of a mess. But very creative good people to work with. I always found that I could trust the people I worked with and that I think they felt they could trust me. So I enjoyed it, I felt like it was a great several years.

Q: What was your impression of the French and Germans particularly and maybe the English?

MCCARTHY: Well, the British were new at the time and they were beginning to make their own way, and what I think they were trying to do was to forge an alliance with the Germans. Not exactly against the French but here we are speaking largely of agriculture. To forge an alliance that would recognize that the common agriculture policy was too expensive and costing too much money to subsidize so many crops and that it had to be gotten under control. The French in the early days resisting that very ferociously, that I think that moderated little by little but this is already past my time. All the time I was there the French resisting that as strongly as possible. Although in some ways the issues, the more you examine them always get a little bit less clear than when they started out.

The Germans really weren't subsidizing just a lot of French farmers. There were a lot of inefficient southern German farmers who were being subsidized by the common agricultural policy as well. So it wasn't quite a negative outflow as it might have looked in the first instance on the part of the Germans. But when the British came in they had a more modern kind of agriculture in the sense that I think only 2 or 3% of their population lived on the land that made its living from farming. The profile of English agriculture was much more like the profile of American agriculture. And the British didn't like seeing all this money going to support basically other people and other countries. So once they were in we had a much stronger element within the community to listen to us. And not just the Brits, the Danes pretty much went along with that line of argument.

The Dutch were quiet on these issues largely because I think they were profiting pretty well as well. In one sense, I think I may have said this is an earlier part of the interview and I certainly think it, the French often emerge as our foe in a lot of issues, be they agriculture or trade or how to organize your self-defense largely because they are perfectly willing to speak up. Other smaller countries like the Dutch may sit silent on agriculture. But it isn't because they agree with us, it is because the status quo in the '70s was benefitting a lot of their farmers as well.

The Italians cleverly never assumed much of a profile on these issues. But Italian agriculture was doing quite well from the common agricultural policy.

Q: We'll move on, you went to Brussels. I mean although it seems part of the same seamless web more or less.

MCCARTHY: Well, this was my most logical onward assignment in the sense. Because after all I had gone to Harvard to do Atlantic Affairs, I went EUR/RPE, and from there I went to one of the two embassies that that office services. The other being the OECD mission in Paris, and I did some OECD work when I was in RPE as well, we didn't talk about that but I worked with the Trade committee there. I went to Brussels, I was recruited

by one of the people I had met in my early days at RPE, Deane Hinton. Who was then working at the Council of Economic advisers at the White House and went on to be our Ambassador in Brussels to the European community.

Q: You say, just to make this clear, that we have two embassies in Brussels is that right?

MCCARTHY: We had three, the NATO mission as well. But I was assigned to USEC, which is now USEU I think, US mission to the European union. I was assigned as Trade officer in the summer of '76. I had remarried in the summer of '75, so my new wife went along with me as well as my two children from my first marriage. Deane, as I said, recruited me for the job, and it was doing from the Brussels angle what I had done in the last several years in Washington. So it really was a nice progression.

The main change in focus was instead of dealing on a constant basis with people from all other agencies in Washington, I was supposed to get to know people in the European commission who dealt with these issues. They had a Foreign Policy directorate, and Agricultural directorate, they had an Industrial directorate, and they had some others as well but those were the three. And the developing countries was part of my portfolio so there were three or four directorates of the commission, bureaucracy that I needed to ingratiate myself with.

I also needed to get to know each of the member states of the community who maintained a permanent representation, not an embassy but a kind of mission in Brussels. I needed to get to know the people who dealt with my issues at those missions and that generally meant either the number two, at the smaller ones, or there would be an economic counselor or some equivalent at the larger ones. It was always easy to do this with the English and Germans and the other smaller countries, the Italians, a little more difficult with the French. But one of my great points of pride was that after a while, and although nobody in our mission had good contacts with anybody in the French mission except the ambassador to some degree, in fact the economic counselor and I struck up a good

friendship and it turned out we could help each other on a lot of issues. That was a little feather in my cap and I was very glad about that.

And then to know people from a few, like ourselves, a few key embassies interested in European issues. Some of the best that come immediately to mind are the Canadians, the Australians, the Swiss, the Japanese, and the Swedes. Countries that like us needed the community and had bones to pick with them on certain issues. It was basically that sort of international cast of characters whom I was supposed to get to know from these two jobs, first Trade officer then Economic counselor.

Q: When you say get to know, essentially were you going out getting to know where they stood and passing it on, or how did this?

MCCARTHY: Well, we were really more into influence. Certainly you had to know what the position was. There was a meeting that took place, well I think probably twice a month minimum, something called the Article 113 committee meeting. And this is Article 113 of the European community charter which basically talks about coordination of policy between the commission and the members states. And this was a meeting which dealt with trade only. The commission and the members states would get together at these 113 committees and talk about things like the community's position on government procurement in the Tokyo round negotiations.

Now, when the meeting was over I would need to find out what happened at that meeting. I would call around and go off and maybe have a lunch prearranged with one or two people as well. But, I would try to get the commission take about what happened at that meeting and the take of several of the members and put it all together and there was an eager audience back in Washington ready to consume whatever I could get. Sometimes by phone, I mean if we were at a particularly critical juncture in the negotiations, the quicker I could get the information the better. If a little less urgency in the moment I could take several days and do a cable trying to wrap it all up. But yes, some of it

was developing information. And some of it was selling positions, moving beyond the information gathering to take what was coming from Washington and see how it was going to reverberate.

I mentioned Denmark once. But the Danish number two, he went on to do a number of interesting things, he may have gone on to become Ambassador at one stage to Brussels as well. But this is a guy who wanted to know what we thought about issues. And if I explained it convincingly enough to him, he would change his own thinking and he could get to work on his ministers.

The European Community is an interesting place because people like this guy, whose name was Eric Tygeson, work closely with a lot of the ministers who come to Brussels but do not necessarily stay with the issues day in and day out. They need to rely on technicians and this was a guy who understood how Brussels worked. If I could get my thinking or Washington's thinking through his filters, he would, in fact, apply that stuff directly to whatever minister was coming next to town and it could be very helpful.

So, there was a lot of talking going on in Brussels, it was just a great big talk shop. I think a lot of what we were trying to do was influence the dialogue among the different members of the community and the commission. We had natural allies, mostly the external relations people in the commission tended to see a lot of issues similarly to us. Plus, we would talk about how we could advance given issues over a period of time.

Q: Were there any particular, I'm not sure if commodities is the right word, because commodities has specific things, any particular items on your agenda that were particularly difficult? Let's say the Brussels period.

MCCARTHY: Well, soy beans were always the key one because the community had probably made a mistake during the Kennedy round of negotiations back in the '60s. They had agreed in the GATT that they would never apply any kind of duty to soybeans, because at the time they saw them as a wonderful raw material input to their own livestock

and poultry industry, and they could see no reason where in any sense this could be a negative factor to them.

By the late '70s and late '80s there wasn't so much of a soybean production in Europe but it was possible to produce alternate crops, different oil seeds. The French were always coming up with different kinds of gimmicks for subsidy programs that would violate our zero duty bindings, some sort of taxes on soybeans, this that or some other thing. Anytime the soybean issue raised its head, no matter how convoluted the way, bells would go off in Washington and we would be told to go in and remind people that we had this zero duty binding and they weren't suppose to touch it. So, that particular commodity was always a key issue.

Textiles were a major factor in those days. The US textile negotiator in those days, Mike Smith, who you mentioned before when the tape was off, would come frequently to Brussels. I knew his counterpart in the commission very well. And there we were very frequently trying to coordinate issues toward given developing countries, or we were trying to work together on the overall agreement in covering trade in textiles.

The other commodity that I picked up when I became Economic Counselor, where we were mostly cooperating very closely with the community, was energy, petroleum. This was a different directorate and it wasn't a trade issue. But by the late 70's the energy crisis was still at its full tilt and we and the Community were trying to develop ways to manage the trade in petroleum and the price of petroleum for the given future.

Q: Did you see, I mean on energy, I can't remember the exact date but it happened during your time when all of a sudden energy the OPEC because of really clamped down and there was a fuel shortage all over.

MCCARTHY: 73 and then in 79 Iran doubled the price of oil and gas. So there were two jolts. The second one occurred while I was running the energy portfolio in Brussels.

Q: Everybody can have a joint thing until all of a sudden, you're really up against it. I would think it would be sort of everybody looking out for themselves. How did you find this? Was there a panic during the second oil crisis as far as who was going to get served? The United States was seen as an over-consumer of energy, it was unfair and all that. How did this...

MCCARTHY: Well, in fact, no. Those kinds of pressures were there and, of course, we do have different interests on petroleum. But, by and large, to me the interesting thing in the 79 increase was the fact that the international community, or the developed world, responded more or less in harmony. I think that's because after the first price increase, the real jolt in 72 & 73, the oil embargo, we had put together the international energy agency in Paris, we had developed the strategic oil reserves, at least in theory although there wasn't much oil in them by the end of the '70s. All of the agreements were in place for cooperation. Although it had been anticipated that there would be an ugly scramble to tie up the supplies of oil among the consuming countries, and although there were exceptions and there were issues, I think, by and large, international cooperation on petroleum issues in the late '70s and into the early '80s, was exemplary. Probably that is the reason why 15 years later, the price of oil is very low, in relative terms.

I think the whole way we eventually dealt with petroleum, with energy, indicates the merits of cooperation versus conflict on economic issues. Had we scrambled, had we tried to tie up all our sources of supply, I think the people who were predicting, and one of the things that didn't come to pass, is that in the late '70s people were predicting oil of $100 a barrel by the mid-90s. Of course, that's not what the price of oil is at all. It's considerably lower than that. I think things worked out okay on energy despite lots of fraying back and forth. It's a good example, it would be almost a text book model, I think, of international cooperation being smarter than the alternative.

Q: You were right in the middle, for 10 years, of the United States and the European Economic Community getting together, in many ways, the most crucial issue - trade.

Did you note, you started out in the Nixon administration, you went through the Ford administration, and then the Carter administration, we'll just take it up to there, did you note any difference, particularly between the Nixon - Ford administration and the Carter administration, dealing with European community and trade?

MCCARTHY: I could even take us one administration further, the Reagan administration. Where were we? I was in Washington. I came back in the summer of 80 to the economic bureau. The election took place in the Fall, so I was there as the Reagan transition team moved into the first floor of the state department, and announced that there were going to be drastic changes across the board. We shouldn't do anything, we shouldn't move forward with anything that we were doing because everything was going to be different after the inauguration.

My point being that Nixon into Ford through Carter into Reagan on trade issues — the individuals changed because this is a very politicized part of the US government. The people who run trade policy generally have very close relations with whoever the President happens to be, and very close ties back into their political party. Into whatever political party is represented. Plus very close ties to the industry or to the producing states in a particular commodity.

So the individuals change but the issues are so clearly of national interest that people may have differences, the whole thrust in the Nixon years for instance was getting out of subsidizing. People will have different approaches but rarely fundamentally different ones. So I think what I picked up on trade policy was that after the dust had settled from one administration into another, our positions on things like government procurement, standards, tariff barriers, non-tariff barriers to trade, countervailing duties — all of those things tended, after the dust had settled, to go pretty much to where they were before. In part because the positions we had hadn't been political issues. They had been positions arrived at by taking into account what the domestic industry needed or wanted, and by trying to figure out how much we could sell to the Europeans in this instance.

Even the Reagan people, who in advance announced that no holds were barred; everything was going to change; policy was going to be stood on its head — by the time, it seems to me, by the time they had taken over it turned out that most of their policy on trade issues, and most of their policies on the European community, were not going to be terribly different at all.

So, I was always impressed with the continuity of policy from administration to administration on economic issues.

Q: In dealing with your foreign counterparts, did you find that they would almost say: McCarthy, you've got a new administration coming in, let's wait awhile and, as you say, let the dust settle and then let's get back to business. Were they aware of the same things in their countries? Sort of the professionals sitting around, waiting for the...

MCCARTHY: Well, elections always affect time tables of how you treat with individual issues. Not always by delay. Sometimes, if an American negotiator can say: “Look, we've got a window to settle this thing between now and next summer. Because after that everybody back home starts campaigning and we won't be able to get anything through the congress.” And there is the possibility of making a deal and the issues are ripe enough on both sides that a deal is possible. Sometimes that is enough of a catalyst to get something settled.

If, on the other hand, people aren't terribly interested in giving in to what we want. Trade issues are complex. It seems to me that you can hardly ever push them too fast. There's a kind of ripening that has to take place. All of the people involved, the furthest rim of the circle has to have a sense that what's being considered is really going to be all right for them. So you can't go too fast on trade either.

So, if the stage hasn't been set and an election is coming, very often you'll get a delay. But I think that's what happens. Elections either speed things up or slow them down. If the

issue is important, it will not be dealt with in isolation from the election. Ours or theirs. If something is happening in one of the big European countries, the same thing can happen.

Q: Did you get involved at all in what today is called the problem of intellectual property, which is often, it gets included into cultural dominance and all that, because this sometimes comes up. TV, movies, all that sort of thing. Was that an issue?

MCCARTHY: I'm trying to recall. Not so much in these years, although I think the answer is a little bit in terms of counterfeiting of goods, that had probably become an issue in my last couple of years in Brussels. I wish I could be sure. I hesitate because the next job I did, I was Director of the office of investment in the economic bureau. There was more discussion of intellectual property. The issue came up more often there.

I think probably counterfeiting of goods was already — Levi Strauss jeans and things like that, video tapes was already a bigger issue, a growing issue. Not so much between us and Europe but something that was worrying with southeast Asia and east Asia often at the heart of the concerns.

Q: Although you were dealing with the US and the European community, did the growing economic power of Japan, was it a role at that time or not?

MCCARTHY: Oh yes, because this was already a trilateral world. Jimmy Carter, I remember, came out of the trilateral association. There was a very crusty Brit who ran the external relations bureaucracy in Brussels at the time, his name was Sir Roy Denman. Denman became famous because he went off to Japan at one time. He came back and said something like, “Oh, how can we be worried about a bunch of people who live in houses that aren't any better than rabbit hutches.” This offended the Japanese. But, he had encapsulized what still goes on, in a lot of ways.

Japan is a society which concentrates on exports and somehow has been able to convince its citizens to accept a low standard of living. Their houses are small. They're not rabbit

hutches anymore. But, they're small, they're poorly built. They're expensive as anything. When a Japanese goes out to buy a TV or a car, even if it was made in Japan, he pays a fortune for it. We can buy it for much less here in New York or in Europe.

Yes, the answer is, two ways. First of all, in Brussels I knew the Japanese embassy people very well. We often tried to coordinate our approaches to the community on some of these larger issues of international trade that we were taking about. And both we and the Europeans were talking together, were puzzling together over how to deal with Japanese export imbalances, trade surpluses.

And then, fairly often, to go back to textiles. When our negotiator came to town, or the Japanese negotiator came to town generally they would meet together. Sometimes in Brussels, sometimes here, sometimes in Tokyo. We were coordinating textile policy very happily among the three of us. So, we competed, we coordinated, we teamed up, too, against the third one. But, there was a great big trilateral operation underway. Japan was very much a factor, in my thinking, in my work all the while I was in Brussels.

Q: How about Canada?

MCCARTHY: On the agricultural side, Canada, Australia and we shared many of the same objectives. We are basically cheap producers of grains. We were always puzzling together about how to bring our influence to bear on the Europeans to open up their market a little bit more. Or to stop competing with us on what we felt were unfair terms on Third country markets. The Europeans would grow some bad wheat and subsidize its export into Argentina. We, or the Canadians or the Australians would see a very nice market. Argentina is a bad example, Chile, say, a very nice market disappear overnight.

The Canadians who were in Brussels at the time happened to be wonderful people. I had great friends at the Canadian embassy and we spent a lot of time trying to figure out what to do next.

Q: Did your role change at all when you became Economic Counselor during your last two years?

MCCARTHY: The portfolio got more complicated, the main element being petroleum and finance. Because, again, one of the areas that we didn't discuss, monetary affairs, one of the things that we didn't talk about at all so far were monetary relations and this is the whole question of the creation of the European currency, dollar-value vis-#-vis European currency value, movement on the foreign exchange market. Things that we were often coordinating very closely. So I added energy and I added monetary affairs to my portfolio.

But still, as economic counselor, or had I been ambassador or had I been DCM, I'd say that most of what drove US interest in Brussels tended to be trade issues most of the times. Because a lot of these other issues were dealt with at the national level anyway. The main item on my plate remained trade.

It was just that I had easier access, maybe, to high ranking people. It didn't make a lot of difference. When I got to Brussels in 76 as Trade Officer, it became pretty clear to me that the Ambassador, my boss and myself were often together and when we were it was because the issue that we were dealing with was very hot in Washington's eyes. I moved up a notch but the trade officer, who was a good friend, was very much involved in what we were doing still.

It may have changed some, although I wonder, in the last 10 years but I think, still, the trade aspect of what's done in Brussels is the dominant one.

Q: What about, can we talk just a bit about the financial matters. What was the main issue at the time you were dealing there?

MCCARTHY: It was a relatively quiet time, I think, in terms of fluctuations among the different European currencies. I don't think there were any great currency crisis while I was there. Nothing comes particularly, it's amazing, I almost draw a blank.

Q: This is usually indicative...

MCCARTHY: I think it was a quiet time.

Q: We'll move to when you came to the economic bureau and were in charge of — what was your title?

MCCARTHY: In terms of putting all the blood on the floor, the way this job came into being was that it was time for me to come home. I was looking around. My real interest was to get back into the European bureau. They offered me a job as deputy director of the Canadian desk, which was attractive. In some ways he might squirm at the term but my mentor, Deane Hinton, was back as assistant secretary in the economic bureau and he offered me a deputy directorship in one of the offices in the economic bureau. He said, “You've got to take this.” I said, “No I don't, I can get a deputy directorship in EUR, can't you do anything better for me than that?”

So he came back and offered me a job as director of the investment office. From my point of view it was better to be a director than to be a deputy at that stage in my career. So I took the job.

I ran investment affairs in EB. What that meant was a couple of things basically. I was the chief negotiator in negotiation in New York on something called the “Code of Conduct on Transnational Corporations.” Which grew out of some of this anti-corporate feeling I was talking about in the early '70s.

I was in an uneasy partnership with USTR, the US trade representative's office, as negotiator for a bilateral investment treaty series we wanted to launch with developing

countries. I say uneasy because this was an area of responsibility, it was no longer clear who was responsible for these issues since the trade act of 1980 — was it state, or was it USTR or was it shared. So I negotiated bilateral investment treaties along with somebody from USTR. Whereas they weren't interested in the UN operations so I was the US negotiator there.

Then there was a range of traditional investment protection issues. Anytime anybody's property had been expropriated abroad, that person was free to try to enlist the US government to assist him to recover the property or to obtain compensation for it. That fell in our office and we had some ancient expropriation cases and then we had some current ones happening while I was in the job.

The office was the liaison with something called the Overseas Private Investment Corporation, OPIC, for the state department. A government group that insured American investments abroad.

So I was again landing in the middle of a lot of issues I didn't know too much about but it sounded like fun. It turned out to be a very interesting job as well.

Q: Can we take some of the bits. In the first place, this code of conduct. One always had the feeling that the United States gets terribly moralistic about how to do business around the world. It puts certain constraints on our corporations that other countries don't abide by. Is this a fair characterization? Were you involved in the process?

MCCARTHY: Sure. That actually reminds me of another issue. In the Carter years we had passed something called the Foreign Corrupt Practices Act. Which made it illegal for American firms to engage in anything even close to bribery or influence seeking in foreign countries.

Q: The Lockheed scandal in Japan and other places.

MCCARTHY: That was related to but not the driving force in this UN code. It was always around.

The UN code came about as a result of pressure from the developing countries, the Group of 77 in the UN system. The cause celebre was the ITT case in Chile. Where ITT was alleged to have used its influence to get the US government to help overthrow the Allende regime. The idea of the code was really quite punitive among its original initiators. The UN should find a way to get multinational corporations under control. So this was a control device.

The negotiations had gotten underway, I think, in 1977. I joined them in 80. By the time I got there, it was becoming clear that this was going to be a very complex exercise. By which I mean, the code had evolved from the simple idea of control into a more complicated set of ideas where it was seen that any code to be effective would need to deal with questions of ownership's, would need to deal with questions of protection of investments abroad, would need to deal with a whole series of accounting issues.

Because one of the things that corporations are very good at, whether it's in developing or developed countries, is saying, “Oh gee, we didn't have any profit at all last year in your country.” So, you had to try to define, if you could, some system for accounting, with the idea of taxation further behind.

The US also wanted the code to look at questions we were interested in, like equality of treatment. In other words, in addition to controlling, little by little in the late '70s, we started building in the concept that this code should also help multinational corporations by providing them what was called “national treatment.” In other words, there shouldn't be any reason to discriminate between national firms and foreign firms.

By the time I took over in 1980, the draft code had about 70 or 80 provisions covering 6 or 8 broad chapters of activity. Some of these provisions had been agreed upon, most of

them had not. What we had was a long text with large bracketed areas. The idea was that each time the code negotiators met, and they met 3 or 4 times a year in sessions lasting a couple of weeks, to try to get rid of some of the brackets and to reach agreement on some of the areas under dispute.

The code group was chaired by a Swede who was very methodical, very good and very sympathetic to some of the developing countries interest. The group of 77, which had spoken with a united voice for a lot of these negotiations, by the time I took over in 1980 was beginning to recognize that first of all, multinational corporations didn't necessarily only exist in the developed world. Countries like Brazil, like Korea, like Thailand, were beginning to have their own multinationals which were operating abroad. So that some developing countries — particularly in Asia — which in the past had sat on the sidelines while the more critical countries led the charge against us, were saying — well, wait a second, maybe we can't really be quite so critical, quite so quick to condemn activities because this can come back and bite us.

So, I would say that I was in these negotiations at a very interesting time because it was possible to say to delegates from other countries that we had to be very careful, we had to get this right, because if we got it wrong we could, in fact, make it more difficult for the operations of multinational corporations around the world. Obviously, we all want more activities on the part of these companies.

What began happening was that some countries that had been sure that these corporations were all devils, were now actively looking at ways to change their domestic laws to attract foreign investment. So the last thing in the world they wanted was a code that would frighten away potential investors. The mix was getting very complicated for the 3 years or so that I did this.

In the end, the code went nowhere. I suppose, I don't think you could ever find this in any of my instructions, that was really my objective, to have the code go nowhere. I think,

a little bit like the energy policy I mentioned before, I think the US and the responsible Europeans, not all of them played it this way but in the more responsible Europeans, approached this code as a kind of learning exercise.

That you had to walk through it, you had to listen to a lot of really terrible rhetoric from the other side, but at the end of the day, you didn't really want a code to emerge. What you wanted to emerge was the concept that multinational corporations could be good for everybody's economy. That they should be dealt with carefully, correctly, fairly, and that if you, as a country, had a set of legislation that is clear and transparent and fairly applied then you didn't have anything to worry about from these companies.

I don't even know where the code is now. It kept getting postponed. It may be one of those items that gets called to mind once a year at the General Assembly. Maybe it isn't, we may have killed it off completely by now.

I think I did what I was suppose to do very well. My role was to take it from an active issue to a very complex and relatively benign issue. I think I did that. It took a lot of meetings. It was a challenge.

There was one time when the Swede invited me and the Swiss and the Venezuelan, who was then the spokesman for the group of 77, and the Mexican, who was more interested in the legal issues than anybody else. The four of us were invited off to a weekend retreat, a several days retreat, to some remote part of Sweden in the middle of winter. He locked us all up and we kept taking long saunas together. The idea was that we were going to produce an agreement. We actually did get some language in some areas.

What I remember most vividly is that I caved on a couple of issues that I knew I'd have trouble with in Washington. But, it turned out that I had more trouble than I thought I was going to have. People were very edgy in several of the other agencies. I don't know if I ever would have been able to sell these things. But I got people to agree that I didn't have

to repudiate anything off the bat that I had given away in Sweden. That I could go to New York for this next big negotiation and let things play out for a bit.

When I got there, I sat around very edgily because I thought, “How am I going to deal with this.” Within a couple of hours the Venezuelan and the Mexican had been totally repudiated on their concessions. I mean, I didn't give away something for free, I had obtained some concessions too. They were repudiated and I was able to say, “Well, if what they had agreed to concede on is no longer agreed, then obviously my concessions here don't apply either.” So I saved my own skin without anybody knowing how close it was.

Q: It's handy to be the last person.

MCCARTHY: I mention this because you never know who you're going to meet in the course of foreign activity. The Mexican negotiator at the time, his name is Bernardo Sepulveda, went on to become the Mexican foreign minister for 3 or 4 years. Bernardo was a lot of fun, a very sharp mind. It was exciting knowing him and working with him for those 3 years.

Q: In investment, here you have this relative new law in this thing, the Corrupt Practice...

MCCARTHY: The way that I wanted to tie that into the code was, in fact, we were looking for ways, both in the UN system and the OECD, to get at least the other developed, the advanced countries, to have similar legislation. The American business community was interested in amending the law as well. To make it a little bit less onerous. It kept coming up during the time that I was working on these issues. I think it remains a difficult question for American companies, it raises problems of competition. Thoughtful American businessmen aren't saying we want to get out there and be as corrupt as anybody else. What they're saying is that it's hard to make a deal abroad when others have fewer constraints than they do.

Why are we doing this? Why are we, in a sense, legislating in areas where nobody else has felt the need to legislate. It's hard not to be sympathetic to those concerns.

Q: You mentioned a number of times the alleged role of ITT in Chile. Were you ever able to scotch this, to substantiate, or what have you, to try to find out what the true story was and to get it out?

MCCARTHY: No, I did nothing professionally along those lines.

Q: On investments, I would think that 2 places that would be very tricky. One, later it was taken up by NAFTA, but both in Canada and Mexico. How about with Canada? Did you get involved in that?

MCCARTHY: This was a difficult issue. This was the Trudeau years in Canada. It was called FIRA, Foreign Investment Review Agency. There was a Canadian agency created which was supposed to review all the requests to invest in Canada. Trudeau was very concerned about the takeover of Canadian firms by American investors. You were getting down to questions of percentages.

This was a big bilateral issue. It got slightly ugly for a while. But eventually it was worked out. In fact, I'm going off to have lunch today with a guy, Wingate Lloyd, I don't know if you know Wingate. He was the Canadian desk officer at the time. He was concerned that we were all moving much too harshly against the Canadians. And you had to keep the overall relationship in mind. None the less, it was an issue that did arouse quite a lot of feeling in the American business community. Eventually the Canadians, they didn't cave but they moderated enough that the issue pretty much went away.

Q: In many of my interviews, the Canadians are always portrayed as one of the most difficult people to negotiate with. It's always, poor-little-us and big-you. Yet, at the same

time they're extremely professional. They're very well plugged in to various elements within the American community and the business world. So, they often get what they want.

MCCARTHY: In this issue, in fact, on this issue a lot of Canadians weren't happy either. First of all, this was definitely a Trudeau policy. When the government changed the opposition, the conservatives, got rid of it quite a lot.

I think the Canadian business community, at a minimum, were split on the issue. Probably a majority of them saw it as being a nonstarter for Canada, that the last thing in the world a large country with a lot of resources, and a small population and a small capital base, the last thing in the world it needed was something that would inhibit investment. I think this was a case of Trudeau playing the nationalist card in a way that a fair number of Canadians thought was unwise.

Q: Mexico, was this a problem?

MCCARTHY: I don't recall too much going on with Mexico at the time. I mean, that didn't concern me directly, things like the Maciadoro. We already had legislation allowing favorable treatment for investments produced in border areas but my office wasn't directly involved in that.

We were, to some degree, involved in putting together the Caribbean Basin Initiative for the countries of the Caribbean, the island countries mostly.

The big issues with Latin America, there was some expropriated oil interest in Venezuela, there had been expropriation of property in Nicaragua, there were several countries in South and Central America that had expropriation issues. In general, I think because of our history, the Gringo in the south, the Latin American legal systems were the most difficult for the kinds of ideas we were trying to push in these bilateral investment treaties. The concept of national treatment.

Because in their approach, the legal systems generally didn't allow national treatment. You either were a citizen or a corporate entity of the state, or you were a foreigner. The idea that a foreigner would be guaranteed the same treatment was constitutionally unacceptable in some South American countries. A lot of the issues tend to be legal.

Q: In Japan, it was investment?

MCCARTHY: One thing I completely left out, I talked about this only in terms of US investment abroad, the other sort of insidious issue at work in the early '80s, it happened in the '70s as a result of the oil price increases, how much can we allow foreigners to buy up the US. This became very emotional. In the late '70s, according to some accounts, all those Saudis and Kuwaitis were buying mile after mile of American farmland and were driving up the prices. By the '80s it was Japanese firms buying American firms in high technology and defense related areas. And, don't we need to have some controls over that.

There was a lot of interagency discussion on the need to — basic American policy on investment has been open and even-handed from the 19th century when we were always looking for capital investments. I think the state department's position, the Treasury department's position was that we were best served by maintaining that kind of policy. Nonetheless, there was an interagency review committee set up, it was called the CIFIUS, I don't think I remember what that means anymore. It was chaired by an assistant secretary of Treasury. It was there basically to review large investments that raised questions. Defense or Commerce would once in a while say that an investment was causing a problem.

The Defense assistant secretary, it was Richard Perle at Defense, would sometimes try to raise a national security argument over a given investment. I think, in the end, the committee never concluded that any particular investment raised a concern that needed to be aborted because of that. We came close on a couple. There was a lot of political

interest. It required a lot of careful discussion. It was examined at pretty high levels in the US government.

The policy was, in the end, upheld. The Japanese, more recently, are seeing that a lot of their massive purchases in the '80s have turned out poorly from their point of view. They lost a lot of money here.

Q: Did you see any difference between the secretary of state. Basically it was Haig for most of this time, I guess, and then Shultz. What you were doing, you just kept doing. Did you get any feel from the top office on this sort of thing?

MCCARTHY: Haig wasn't around all that long, I think.

I have no recollection of any impact of Haig. I don't recall getting the secretary involved on our issues.

Shultz was a natural on these issues. He was really quite interested.

Q: Secretary of Treasury, an economist...

MCCARTHY: He was from the Bechtel Corporation. Shultz liked to be briefed on what we were doing. He was interested.

Also, the other thing that happened, it doesn't appear in my record anywhere and I once debated this. I didn't have a formal title but for about 9 or 10 months toward the end of the time that I was in this job, I must have held this job from the summer of 80 till the summer of 83, but all during 83 I was also acting deputy assistant secretary for finance and monetary affairs, sort of the next step up.

The other big thing that was going on in this period was debt. The Mexican debt crisis of 82 or 81. Anyway, developing country debt towards the developed world. I handled, to some degree while I was in the investment office, a little bit. I was going to major meetings

in Treasury that Shultz was very interested in while I was doing this acting job. Debt issues were an important part of what I was doing in 83, at least. Shultz was very involved in those, very interested, very nervous.

Q: What were the problems of the debt thing?

MCCARTHY: We were really concerned that the international financial system was going to go belly-up. There were large debtor countries, Mexico, Brazil, Argentina in South America. Those were the major ones. Nigeria a little later on. Nobody was really catastrophic I guess in east Asia.

But whether these countries would default on their loans or not, what would happen to the international banking system as a result. There were lots of urgent meetings. This was precipitated because the Mexican finance minister came to town one August. I can't recall if it was 81 or 82. He told his counterpart at Treasury that Mexico wouldn't be able to pay its bills as of that Monday.

We put together the first of the Mexican bail outs which was a little smaller than the more recent ones. Then it became clear that many of the developing countries were in a similar predicament. What this was was sort of a new working out of the oil price increase of 73 and 79. We, the developed world, had been stung by the oil price increases but by the '80s we had learned how to deal with them. Basically by increasing the value of our exports to cover the value of our imports of oil.

The real victims of the oil price increase, the international victims, were developing countries which needed to import oil and didn't have anything to export in exchange. So were stuck with other commodities whose prices didn't go up. So by the early '80s you began seeing a whole lot of individual countries which were basically using almost all of their revenues to pay for their imports of oil or to service their debt. An untenable situation.

So much of the period from 82 to 86/87 revolved around how to deal with this debt. I was involved in some of that, mostly in 83. It was fun. That was a very big, very interesting issue. And Shultz was very interested. Maybe we've never had a secretary who followed the economic side of things as much as that.

Q: Maybe we ought to call it off at this period. We'll pick it up from 83 to 85 when you went to public affairs.

Today is the 20th of February 1996. Why don't we pick it up. You're going to public affairs from when to when?

MCCARTHY: This was in late spring of 1983 that I started there. I stayed there until the beginning of 85 when I went off to Pakistan.

Q: Public Affairs, who was running it and what was the situation at that time?

MCCARTHY: In personal terms, I guess this was something that appealed to me, in a way, but it wasn't a logical progression in my career or anything else. It came about because of a certain degree of frustration. I had been working in the economic bureau at that stage about 3 years or so. The last 8 or 9 months as an acting deputy assistant secretary in the area of finance, basically. The man who was the assistant secretary, and also my immediate boss who was one of his deputies, I guess she'd moved up to become principal deputy, were more or less telling me that they were going to confirm officially that I had this title.

Somehow the moment never seemed ripe. The assistant secretary in particular, I think, was looking around for other people. When I got a phone call one day from John Kelly who was an old friend and acquaintance. He was then the principal deputy assistant secretary in the bureau of public affairs. He told me he had an offer to move on but his boss, the assistant secretary, told him that before he went he had to find a replacement. So I was

obviously one of several people whom they had called and were going to interview. In the end, I got the job.

The assistant secretary was a remarkable man. His name was John Hughes. He was from the private sector. He was, in fact, recruited I think from the Christian Science Monitor. He's still active now. He was in Colorado, the last I heard, running the School of Public Affairs for the university. Really a very very impressive gentleman. Someone I've learned quite a lot from.

So I moved over there. Basically my job, that office or that bureau is still pretty much, I think, the way it used to be. It's got one major area of interest which is the spokesman's role normally filled by the assistant secretary and one of the other deputies. These are the people who give the noon briefings. These are the people who are very much in the news. Basically, they're representatives of the secretary and speaking out on public policy.

There was a much larger part of the bureau which did a lot of less dramatic but nonetheless interesting kinds of things. All of the publications put out by the state department ranging from the speech the secretary gave last week before some world affairs council in Cincinnati, to a discussion of a difficult policy, are published as a document. All the while I was there, for instance, we were trying to put to bed a document, a publication which would have laid out in one place what we had tried to do for a series of years in terms of bringing about Middle East peace.

This is the kind of thing that is frustrating. One talks about getting clearances for official telegrams. But, in fact, clearing a public document on an area that was controversial and very much up in the air, can prove to be impossible. In this particular document, it went around for all the time I was there. We kept kicking this around, editing it, hoping that we could get people to say: Yes, that's about right. And being cut off by someone or other in the Near Eastern bureau or, even, right up in the Secretary's office

Not because we had something wrong but because publication of this particular account at that moment was deemed injudicious because somebody else was trying to launch something else.

Q: It's the hardest thing in the world, in a way, in the department of state, so many things. Because, just by their very nature, diplomatic relations are an ongoing thing. It's not as though the war is over and now we can talk about what we did.

MCCARTHY: That's right. You put your finger on one other thing I wasn't going to mention.

Publications, okay, that's one part of the bureau. A fairly important, we put out Gises, background notes on individual countries, a whole lot of material that was very factual, very simple to look at, and yet was very useful to people ranging from your high school student right up to people doing research in universities. So a very broad range of different types of publications that had their own audience.

There then was, what you just mentioned, the office of the historian, was part of this bureau. The historian was one of my immediate subordinates. I am a history major and a real aficionado. I love to read history, I love to think about history. The idea that the historian of the state department was working for me, did my ego some good. He was also a great guy, he is a great guy.

Q: Who is he?

MCCARTHY: Bill Slany, I think he's still there actually.

Q: He is.

MCCARTHY: Bill, to confirm what you said, Bill was really wrestling with several interesting problems. One of them was ongoing for sometime. Namely, how do you arrive at timely publication of the diplomatic record, in a reasonably complete form. He had the

congress, we had the congress breathing down our necks saying, “You guys promised you'd get this stuff published approximately 25 years after it happened.”

First of all, that had been easy enough when the diplomatic history of the US wasn't all that massive, wasn't all that global. So firstly you had this tremendous volume of material that began appearing. We're talking about 83, we're talking about the '50s, post World War II when our fingers were in everything. Everybody turned to us. We had embassies everywhere. The record was massive. One element.

The second is, other countries, while they might applaud at least superficially the idea of publishing the diplomatic record, didn't like it when we published something that mentioned one of them. The volumes that were underway at the time were things like Iranian-US relations in the mid-50s. Areas where we had a very active role to play.

The other element is the agency, the CIA. All of the covert services saying, no way this is going to happen. You would send them a couple of hundred documents and they would send you back 2 or 3 heavily scored out saying: these are okay.

He was wrestling.

Q: The NSC was also a problem wasn't it?

MCCARTHY: It was a problem in the sense that you would send them something and they would say, “Why don't you check this out with the agency, or with DOD.” It wasn't so much that they really don't have the manpower to pour over the documents. But you needed to get their clearance. And they would only give it collateral with the other agencies being on board.

So very little was coming out. And what was coming out, from an historian's point of view, was jaundiced. It really wasn't a complete record. It wasn't falsehood but we all know

that if you just tell a part of the truth, you aren't necessarily helping the cause of historical research or getting the record straight.

So, yes, that was one whole range of issues. The one that caused me more concern on a daily basis, was also more fun and more challenging, was the public events, the public speaking part of the bureau. There was a bureau, there was an office of public programs, one of our largest offices. There were maybe 10 or 12 people, officer-level people. Each of whom is responsible for an area of the country, you know, 6 or 7 states — had contacts with the world affairs agencies, with the important universities, with any kind of major club or organization that had any kind of foreign policy interest and was prepared to send a speaker if an organization wanted one.

John Kelly, actually, had done a lot of this. I continued it. We had good support on the 7th floor from the secretary, from the deputy secretary, a man named Ken Dam at the time. The idea being that rather than just responding to any request from anywhere on any subject — which we had, more or less, done for some years — we should have an agenda. We should have a listing of priority issues. We should be trying to put together a thought-through kind of program which would get across our point of view on issues that mattered.

In those days the ones that we were concerned about were arms control, relations with the Soviet Union, Central American policy, Middle Eastern policy, relations with western Europe, relations with Japan. The kinds of things you would expect.

This was all very good, very noble, very effective. The money wasn't bad. We had a fairly good budget in those days. Several times a year, Dam would bring us together with the other principals, the various Under Secretaries, somebody from the secretary's office, the secretary didn't participate himself, pour over what was coming up, decide whether or not the priority issues, what we had flagged made sense, maybe change them a little bit.

But putting a fair amount of thought into the way we approached this whole programming issue.

What happened toward the end of 83 was that someone named Ollie North, someone over at the National Security Council, started having meetings. At first involving deputy office directors from our bureau, and that level people from other parts of the state department, talking about the need to mount what he called a blitzkrieg on Central American policy.

Q: You were saying Ollie North from the NSC came over.

MCCARTHY: Ollie North called some other people over, people who worked for me, and we would discuss in advance what their position should be. He was basically saying: “Wait a second, it's okay to prioritize foreign policy issues but the one the president cares about — he made no bones that he was speaking for Ronald Reagan, or pretending that he was speaking for Ronald Reagan — what the president wants you guys to cover is Central American policy. So forget about the rest. Just launch a blitzkrieg of public events, public speaking events about Central American policy.”

After a couple of meetings it became pretty clear that we were not getting anywhere at the level of the office director or the deputy office director. So I went to one of the meetings and I told North that we couldn't do that. North was kind of a charming guy. We were never open enemies but I got the sense, after a couple of sessions, that he was pretty much totally unenchanted or disenchanted with me, unenchanted with me. And was prepared to work around me.

My argument was, “Look, this is not the first time we've had this debate. There are some historical precedents for trying to put all of our public speaking activities on one subject.”

Q: Vietnam.

MCCARTHY: The Congress didn't like it. Elements in the congress have always been somewhat uncomfortable with the idea that the state department, or any other agency of the government, needs to have any kind of a budget to explain to people what it's doing. They buy off on it if we can go back and say: Wait a second, we're not propagandizing anybody but we are offering information to people who want to know. This is a valid function. It is public relations, it is public affairs. If however we take one issue, and spend all of our money there, any congressional critic of that issue will make sure that next year we don't get any money.

North didn't accept the argument. We finally agreed that we weren't going to resolve it on our own. He would refer it to the White House counsel. And he did that. I've always been very glad that the White House counsel came down on my side. This was kind of an exciting conclusion to a difficult, maybe 5 or 6 weeks or so, all around Christmas time of 83 it seemed to me that this was going on.

Finally, he said, okay McCarthy, the White House counsel's on your side. But we have to spend a lot of our effort on Central America. That had never been the issue. It was already a priority issue, nobody debated that. We were doing then, every several months, an all day event. I went to one in St. Louis, in Seattle. Basically, highlighting for a large audience 4 or 5 different issues. Obviously, Central America was always one of them. Usually it was the most controversial. There was a violent disagreement in those days about what we should be doing and whether the policy made sense or not. Anyway, we settled that issue.

Even at the time I became aware, and this was all of course in advance of all the Irangate kind of stuff, I became aware that while North knew what the White House counsel thought about the issue, it didn't really faze him all that much. He didn't use us anymore. He didn't use, say the professional bureaucracies, of State or any other agency, on this issue anymore. But he launched a kind of public liaison effort right in the White House.

He called on political appointees from State, Assistant secretary Dick McCormack whose name I mentioned before in EB, was one of them. These guys, most of whom had good relations with State Department critics on the Hill people like Jesse Helms, would go over to these liaison sessions a couple of times a week. They had their own public affairs program but at least it wasn't coming out of my budget and it wasn't being done in a way that left the State Department, at least as far as I could see it, responsible for what was basically a controversial misuse of our funds. And of course later on, a year or so later, it became clear that this wasn't the only operation that North was doing on his own and despite what the best minds in the bureaucracy thought made sense.

It was an interesting clash because the guy, as I said, was always very charming but it became clear that he only liked to listen to you if you were saying something which basically was in agreement with what he wanted to do.

Q: Did you find that there was a two-way street to sending officers out to talk on this. In other words, were they coming back with things. Because there's always been this feeling that the State Department isn't as well plugged in to what Main Street is thinking and all that. Was this useful there or not?

MCCARTHY: Oh I think so. In fact, another thing that I guess I should have known and maybe I did know but I got reconfirmation from this year and a half or so experience, is that some of the people who were the most consistent volunteers to speak, not volunteers - we would call around, the people who would often say okay I'll do it. Were, by and large, the best and the busiest foreign service officers or people in the Bureau. Rick Burt who was a political appointee, assistant secretary for European affairs, would come around pretty often. Mike Scholl, a career person in ARA on this particular Central American issue. Over his head in work but would always find the extra day to go off and do this kind of things.

Some of our very best people, I think, were the ones who, in answer to your question, knew they had the responsibility to go out and explain the policy and also knew that it would be interesting to hear what people thought about the policy. I remember once in a while if John Hughes was busy, I would accompany the secretary on some of his public speaking stuff both in Washington and around the US.

One day, we didn't go very far it seems to me, we got into his limousine and went over to the Watergate. There were a bunch of business people there. The secretary, George Shultz, a very thoughtful man, not exactly, maybe not exciting in his speech making but very methodical.

Q: Solid.

MCCARTHY: Very solid, he didn't tell half-truths and he didn't leave you mystified as to what his point was, he could be quite clear. Anyway, he gave one of his usual thorough briefings on the subject. It became pretty clear that these business people, who were not opponents of the Republic administration per se, nonetheless were edgy over Central America, weren't sure whether they were supposed to like Somozistas, Sandinistas, Contradoras, or anything else.

Going back in the car with him, I said, you know, it seems to me that this is a real problem when you have people like this, when you've got churchmen, when you've got the normal stalwarts in terms of supporting a policy, not clear about it, not sure about what it means, not even sure about the basics of whose side we're on and why. We have a real information problem, we've got a policy problem. He didn't say too much but I didn't get the sense that he disagreed with me either.

It was an interesting time and as the period went on it tended to get a little like Vietnam. It never got that much out of control in terms of being disavowed by the American body politic but we would get hecklers. I can remember sitting in an audience listening to Mike

Scholl, who was masterful, getting some very unpleasant questioning and also a little bit of hectoring from the audience. This didn't happen on the other priority issues at the time. People might disagree with what we were doing with Japan about trade policy but they didn't stand up and launch a demonstration about it. It was an issue that came right to the verge of becoming a major American domestic issue.

Tip O'Neill was still the speaker of the House. I think he had a sister who was a Maryknoll nun in one of the countries, in El Salvador I think. She was totally against our policy and said we were lining up with the wrong guys. When you have that kind of public reaction, it was a major problem. We were right there, both in terms of publications and public speaking, and of course the spokesman, not the area I was working with, fielding the questions everyday and our fielding them in a different kind of way, weekly, monthly or as it came up. It was an interesting time and an interesting office.

Q: Could you give me a little feel about the atmospherics under Shultz. I had the impression, I didn't serve there this is just an impression, when James Baker came in and Margaret Tutwiler became his head of public affairs, it became much more an apparatus to make sure, I mean you almost had the feeling it was designed to protect the secretary of state, to make him look good. That seemed to be a high priority or not to embarrass the secretary of state. I had the feeling under Shultz, you didn't have the sort of, as much — I may be wrong correct me on this — an ego on the line there. Is that unfair?

MCCARTHY: I wasn't there when Baker came but the way you described it is pretty much the way I heard it from the people who stayed on in the bureau, the career people. Public affairs was a different kind of bureau from any I had worked in before, most of which had been I would say foreign service bureaus. This one was basically a civil service bureau with a half dozen people like myself, mostly at the senior level either office director or deputy assistant secretary, running or managing the operation but everybody else civil service.

The ones who stayed on didn't like the Baker period. Objectively, without judging, because he was not interested, or the front office was not interested in public speaking events, they cut way back on those. The way it was described to me, the program officer or the individual foreign service officer who wanted to make an engagement, would have to go through a long effort to win over Margaret Tutwiler, and the people running the bureau, as to why it made sense in fact to respond in the affirmative to a request for a speaking engagement somewhere. Rather than running maybe a thousand events a year of all different kinds of public speaking events as we had done, they were interested in cutting way way back. Both the budget and the number of appearances cut way back.

Margaret, whom I know from some other things I did later, was very close to the secretary, working with him all the time and much more focused on what his office was going to do rather than this more general kind of information providing approach. So the focus of the bureau did change.

Again, I did work for John Hughes. I think you can't overestimate the importance of the individual running any kind of operation in the government or, I suppose, anywhere else. John was very open, very sure of himself, and very collegial at the same time. John was extraordinarily busy but if you needed him, you got the time.

About half way through the time I was there, he left and a guy named Bernie Kalb, who was basically a television type and a reporter, took the job. Without having ever really discussed this with Bernie, my sense is that Bernie took the job because he thought it would be fun, dramatic, interesting. He didn't realize that to be a good spokesman, to really be able to reflect not just what the secretary thought but what the department thought about an issue, or what kind of view it wanted to present about a breaking issue — he would have to work 14, 15 or 16 hours a day. Certainly John did that.

Bernie was not willing to do that. Bernie was older, Bernie had been a personality and I think he wanted to remain a personality. My sense was he certainly saw his job differently.

He winged an awful lot of things. My sense is that a lot of the influence that John had had gradually dissipated. The reporters liked Bernie, he was one of them, they didn't go out of their way to embarrass him. But I don't think he carried as much weight as John did.

He certainly wasn't willing, he wasn't even interested in a lot of ways in what the rest of the bureau was doing. That was difficult for me to cope with because, I mean, it's always wonderful when your bosses let you run a program, it's great to be in charge. I love it and I think I do it well but I've had this contrast a couple of times in my career. I was working for John Hughes, I had total carte blanche to run my programs except I knew that there were times when I really needed to know what he thought about something. More significantly, I needed to know whether I would be supported on the 7th floor in something I was doing. When those times came, and I generally picked them, I would go to John and he would either give me an answer or if it involved the secretary he'd get me an answer.

It was a nice exchange. I knew just how far I could go and I also knew how I could get some guidance if I needed it. When I tried the same thing with Bernie, he would either give me an off-the-cuff kind of answer which I knew was not considered enough, I knew he had really not thought through the issue. If I asked him to take it upstairs, I knew it wasn't going to get done. So I had to sort of figure out my own ways.

Q: In some ways, you were acting out of more constraint than you would have because you couldn't...

MCCARTHY: I just had to develop a different modus operandi. Rather than go to Bernie, I would have to go to somebody right next to the secretary, his special assistant or somebody else, if I needed that kind of guidance. It was interesting to watch. Again, this is my personal assessment. I think Bernie thought this job would be fun and it would be a cinch. I think he was appalled when he figured out that there were, first of all, all of these people at the assistant secretary and Under Secretary level who were jockeying for position everyday in the secretary's meetings, and that in order to know what was going

on he would have to be at every one of those meetings. He would have to listen very carefully.

You can't just do debriefs. If something happened at a meeting where John was present that I needed to know about, John would tell me. He would explain sort of who was looking at the issue and in what way. Bernie, if you asked a question, it was pretty clear he hadn't listened that closely or he wasn't that interested in the interpersonal dynamics. He was there most of the last year I was there. I was leaving anyway and I was just as glad because I was not impressed with the way he was running the show. I thought the bureau was losing influence as a result.

Q: Where'd you go then? You left in '85.

MCCARTHY: I left in '85 to become DCM in Islamabad, Pakistan, working for a man named Deane Hinton, who is really one of the most respected diplomats of his generation which is just one generation beyond my own. Deane is, I think, 16 or 17 years older than I am. We met in the mid-70s. I've mentioned that I had already worked for him a couple of times, including in Brussels as his economic counselor.

I mean in a way, maybe other people tell you these things as well, I like the small family aspect of the foreign service. The way assignments come about. Going to Pakistan was no more on my list of priorities than going to the moon I suppose. But Deane, about a year before I went to Pakistan, had called me and offered me the job of consul general in Karachi.

I turned him down flat, mostly for personal reasons. I didn't want to go to Karachi, I didn't see a reason to be in the consulate, at any case. We had a daughter then who was going into her senior year in high school. I promised her and myself that I would not interrupt her high school career for an overseas assignment. It seemed to me that it was important for her to get 4 years in the same school. So I said no.

Deane raked me over the coals, told me I didn't know what was good for myself. That no more opportunities like this were going to come my way. This was 84 I guess. About 6 or 8 months after that, he asked me if I'd be interested in being his DCM. We were then about 5 years back in Washington. It made sense. My daughter was out of high school, she'd had her first year in college under her belt. It all made sense. We said, sure, we would do it.

So I was recruited largely, well it is and it isn't true, Deane is a very honorable man, he approached me but there were regular bidders as well. He actually first gave the job to somebody he didn't know whose name the system had coughed up. He explained to me, in a very nice letter. We are very close friends. He wrote me a very nice letter saying — look, you're the person I really wanted for the job but I don't like manipulating the informal side of foreign service life so I went with this other guy. And then the other guy either had a personal health problem or somebody in his family did, and he washed out and Deane asked me if I would come.

I said, sure. I was still interested, it was the best of the jobs. There were several DCM jobs that I was looking for at the time. I had also put my name, or allowed my name, to be put on a couple of ambassadorial lists at that time. None of those came about, they were all small countries. Anyway, it came about in this kind of a way.

Q: So you were in Pakistan from when to when?

MCCARTHY: I got there maybe in August of 85 and stayed until June of 88, so 3 years.

Q: What was the situation in Pakistan at the time you arrived there?

MCCARTHY: It was fascinating. This was the heart of our involvement in neighboring Afghanistan. Here, I guess I have to be careful in terms of classification, I will give you what I regard as an unclassified version of a very interesting series of events that you can read in the papers almost any day just how extensive our involvement was.

This was a large embassy. We had 3 consulates — Karachi, Peshawar and Lahore as well as the embassy itself. 500 Americans easily working there. A great big AID program. A country that I liked as well as any I had lived in. Thailand, I guess, and Pakistan were my 2 favorites in terms of the people and the kinds of things that were going on.

Pakistanis are very noble people, very lovely people, warm and friendly. This goes right down to the village level. My wife and I did a lot of walking. We lived on the outskirts of Islamabad, everybody lived on the outskirts of Islamabad, it's a very small town. Great hills for walking, full of traditional villages that went back in time hundreds of years. The sense of what was going on there. People would be very warm, they would invite you in for tea, they would be lovely.

The same was true, it seemed to me, of the president and major politicians that I was dealing with. They were nice people. You would have liked them whether or not you had to work with them. It just made life very pleasant. Just last week we had a guy for dinner, a Pakistani who was through town, who was a good friend of ours when we were there. We were reminded of just how forthcoming people tended to be. It was a place where you got an honest answer to an honest question.

Q: It sounds like a certain contrast to the Indians who can be very difficult.

MCCARTHY: This is a classic reaction, I think, of people who have served in both countries, I haven't. I visited India but I haven't served there. I think most Americans, somehow there's something in the Pakistani soul that lines up very nicely with most Americans. Whereas most Americans tend to find Indians just a little bit difficult to deal with. You can explain both phenomena in one way or another.

I certainly would come out on the Pakistani side of things if I had to take a vote. On the other hand, it's a complicated place that doesn't work very well.

You asked about foreign policy. We have a checkered past, or our relationship is a checkered one. This was 85. We were then in full recovery from the nadir of the relationship, which were the Jimmy Carter years. The Soviets invaded Afghanistan. Carter offered Zia, whom he didn't like viscerally because Zia was a military dictator who had his immediate predecessor hung. But again, that's a complicated tale with lots of elements that need to be weighed before you make up your mind about what was going on.

Anyway, Carter offered Zia a certain amount of military assistance. Zia's response was to call it “peanuts.” I think, largely, because Zia was a very good politician who saw that Carter probably was not going to be around after the next election and he would just as soon wait and make a settlement with the Republicans, which he did.

By the time I got there, we had a multimillion dollar aid program, both the military assistance and economic assistance. We were negotiating while I was there, I guess this must have been in 87, we were negotiating a new multimillion dollar aid package. It finally came in at something just over 4 billion dollars over I think a period of 5 or maybe 6 years, which the Pakistanis regarded as a major success. Obviously, it was. I think, in the end, a lot of that money never got delivered because of the things that happened subsequent to my time there over the nuclear issue as much as anything.

A period of very active involvement and very close cooperation over Afghanistan. As the DCM, my job really was to work for the ambassador, with the ambassador, both monitoring our activities in Pakistan and also working very closely to support Pakistani operations, Pakistani activities to get the Soviets out of Afghanistan. Sometimes you could really see yourself, I could see myself, with an Afghanistan range of activities and responsibilities; and a fairly separate Pakistani range of activities and responsibilities.

Not that they were contradictory but a lot of what we were doing really was with an Afghan focus. Most of our visitors, I would say, came to Pakistan because of Afghanistan. I must say, I don't think I've ever been more visited than during those 3 years. We had most

members of Congress, who had any kind of foreign interest at one stage or another. Secretary of State, Secretary of Defense, the Attorney General, just lots of people pretty much all of the time. Mike Armacost, who was then Under Secretary for political affairs, we were negotiating. Everybody was negotiating for an end to the Afghan war through the UN. Mike must have come, sometimes it seems every 6 or 7 weeks at various times, then it would be stretched out, but probably 10 trips in the time that I was there.

Q: It was no secret, even from the beginning, that we were giving some rather sophisticated weapons and training to the Afghans. I think the most noticeable one was the stinger missiles which were credited with making the Soviet air force less capable of operating as it had been.

From your point of view when you arrived there in 85, you left in 88 is that right?

MCCARTHY: Yes.

Q: How did you view our effort and what was actually happening in Afghanistan vis-#-vis the Soviet military, by the time you left, the development. Did you see this moving towards something or did you have a feeling this was going to keep going?

MCCARTHY: It was moving. As you were posing your question, the other element neither of us has mentioned is what was going on in the Soviet Union at the time, these were the years of Gorbachev. I think the US government's first reaction to Gorbachev was, “a wolf in sheep's clothing.” He talks a good line but you don't really believe that stuff, do you?

This had immediate implications for our Afghan policy because we were negotiating, everybody, we, the Pakistanis, the Afghans, the Russians, were negotiating in UN forums in Geneva, in New York, about the terms of the settlement, about withdrawal of Soviet troops, and do you trust Mikhail Gorbachev or not. The answer is of course you don't trust him at the beginning because we know he's just trying to pull a fast one on us.

As time went on, I think bit by bit, not just individuals but I think each of us in a sense, parts of our mind would be converted to the fact that something has changed in that country, little by little. You'd find yourself saying something and then thinking — do I really believe that. Is it as hopeless, should they be disbelieved as much as you would have disbelieved them in the past. Little by little, I think, people and parts of the bureaucracies swung around to the thought that maybe we could do business on this one; maybe this is a drain, maybe this is a distraction, maybe the man really would like to get out of this one. Because he's got bigger fish to fry in terms of trying to hold his whole country together and Afghanistan is too much for them. Other people would say fine, let's bleed him some more.

So, it was an interesting dynamic. And it was dynamic. There was nothing at all static about Afghan policy all the whole time I was there. The other fascinating element, is that every couple of weeks sometimes, certainly no less frequently than every couple of months, I would have to, as the DCM, the ambassador would often either not want to be there or would be too busy to be there, I would often shepherd senator so-and-so or congressman so-and-so up to Peshawar to meet the Afghan leadership.

The 7, ragtag is unfair, but the 7 assorted leaders of various resistance elements in Afghanistan, who at the time could barely disguise their disdain for each other, they ranged all the way from a guy named Ahmed Gilani who was known as Mr. Gucci. He did wear very good Italian loafers and nice well-cut suits. To guys with long white beards who would sit barefoot at a meeting and pick their toes. It was an odd bunch. Most of them, if not all of them, are still around. They're the guys who are still squabbling, I'm talking 85 to 88 and here we are in 1996, the Soviets are long gone from Afghanistan.

The policy achieved its principal objective which was to get the Soviets out. If the secondary objective was to restore peace in Afghanistan, we failed. The bunch of guys I used to see every couple of weeks are still around. They're still blowing up each other's ammunition dumps and any civilian house that gets in the way, this many years later.

You could see at the time that some of them hated us. These were very anti-western kinds of types, very fundamentalist in terms of their approach to modern life. They were taking our money and our support but not our ideas. You could see then that it was going to be very difficult for them to reconcile. But people, I said, other people said wait a second, these are Afghans, they always get along, it won't be long before they will come to some modus vivendi. Today they still haven't done it or they haven't done it in a way that keeps people from being killed.

Another thing that changed I think when I first got there, since the attainment of our objective seemed so remote - getting the Soviets to leave - it didn't matter so much in our day-to-day operations that we and the Pakistan government did have different ideas about what the future would hold for Afghanistan. I think Zia never hid his objective. He was looking for a way to restore a much quieter kind of northwestern frontier for Pakistan. To get Afghanistan out of any possible kind of relationship with India or the Soviet Union, whom he really did see as a continuation of old Russian imperial expansion.

Zia had this great map that he would drag out — it was a treat after his meals with the various senators and the congressmen, the old map would come out. He would show how little by little from the 1870s and 1880s to the 1920s, the Russians had spread from one Khanate to another in central Asia. He was after reversing that particular kind of thing.

Q: The Great Game.

MCCARTHY: The Great Game, that's right.

At any rate, it didn't matter in 85 and 86 because none of us, neither we nor they, thought we were that close to winning. By the time I was leaving I think it did matter. It was clear that things were turning our way. You mentioned the stingers. Things were turning our way much more radically than we had anticipated. That the Soviets really were reeling from their Afghan experience. What came next, whether Pakistan was able to install as an

Afghan leader, somebody who was very much in their pocket or not; whether or not that person made the most sense from an Afghan or from an American point of view. Those were issues that we were having to wrestle with, probably a little sooner that we might have anticipated.

I think nobody in any of the groups, in 85 or 86, saw that we were going to win and win decisively in terms of getting the Soviets out.

Q: While you were there, this 85 to 88 period, were we looking at these 7 various groupings of Mujahideen who were fighting this thing and trying to discriminate from them or were we saying, oh hell, the enemy of our enemy is our friend. Were we aware that some of these people might not be so good for us in a later game?

MCCARTHY: Sure. You looked at these people from different points of view. One question was how much influence did they have among Afghan exiles. Was the king an element of Afghan policy. He was off in Rome, surrounded by a lot of corrupt relatives. Was he a useful piece or not. How much did any of these people relate to him. How much did any of them matter in political terms back in Afghanistan. So the political stuff - how much weight did these people have?

But I think really the major factor that we were weighing, at least most of the time that I was there, was are these guys fighting or not. To simplify, the way it seemed to be was that the ones you and I would feel most comfortable having a cup of tea with, had the fewest fighters on the ground. The ones that you and I would like to see go away as a bad dream, were the ones who were laying booby traps, ambushing Soviet convoys, blowing up the occasional tanks. This is a simplification but you could almost say that the best fighters were the worst guys from an American political point of view.

Q: This sort of duplicates the way we felt about the situation in Yugoslavia in World War II. That Mikhailovic and the Chetniks weren't killing as many Germans as Tito and the partisans.

MCCARTHY: That's a very interesting parallel. I hadn't thought about that before and Yugoslavia is of interest to me because my wife is Yugoslav. I think you're right. You couldn't get what you most wanted. That the guy who would look like he would be the most moderate politician, if there ever was an Afghan government that you wanted to get along with, looked as though when he took your money he spent it on “infrastructure,” not on fighting.

Q: Tell me a little about the Americans who grouped around this, both the official and the unofficial. I've been in a couple of war situations, I served in Korea during the war, particularly in Vietnam, I was there during the Vietnamese war. When you have a war our infrastructure, whatever it is, includes a lot of so-called experts, a lot of people who come around, opportunists, people who can talk fast, seem impressive. What was your impression of the American establishment that grew up around this support of this war?

MCCARTHY: First of all, it was kept very small because it wasn't our war. The official record would probably still deny that we were involved in this kind of activity, and we were. There weren't that many people around. There was, of course, an agency presence.

What we did was pretty much indirect. The Pakistanis have something called the ISI, it's their intelligence service. It was our conduit to the Afghans. We had very few direct contacts with the Afghans. Therefore, the establishment was small and it was traditional. The people who ran this were, by and large, I think I knew them all, I certainly knew the people I needed to know, you could get everybody into the ambassador's office. We had an Afghan group meeting a couple of times a week. We didn't need a larger, we could do that in the ambassador's office. There were not hundreds or even dozens of people

running around on a daily basis working for the US government in this field. It was a more traditional embassy structure.

If you went to Peshawar, where we had our consulate, there were about 3 million Afghan refugees living in Pakistan in those days, most of them were living in the northwest frontier province and Peshawar was its capital. We'd had a consulate there for some years but this certainly was its heyday period. There was a consul, a couple of vice-consuls, a few other people from some other agencies, but the official numbers were fairly small. The unofficial numbers were fairly small as well. People covered the Afghan war, press people, but not that many. There were a fair number of NGOs doing relief work of some kind or another.

Q: NGO meaning non-government organization.

MCCARTHY: Different kinds of charitable groups, Medicins sans Frontieres, the Red Cross had a big operation. But again, all of this was dynamic. As time went by, and it became clearer that the Soviets were going to move on Afghanistan, there was more fighting, there was more significant fighting, the number of press went up dramatically. The number of odd people, Peshawar did pick up a Vienna post-world war II kind of air for awhile.

It was both exciting and kind of spooky, who were those people? And not just Americans. If there were good guys like ourselves and the Saudis supporting the good Afghan Mujahideen. Then there were also bad guys, Iranians floating around, and lord knows who they were supporting. But there were odd people in Peshawar and the numbers kept going up while I was there. I left in 88 and it probably peaked in 89 or so. I think even Peshawar has returned, not to normal, but I think the spotlight of international attention has long moved on.

But anyway, internally two good ambassadors. Deane Hinton first and then he was replaced by Arnie Raphel, the last of the 3 years that I was there. A very dynamic man who was very interested in the details of pretty much everything, very much on top of

things. Good subordinates, good people from the other agencies. No total cowboys but people who would get out pretty far on the limb every once in awhile. But you could bring them back in. There were no major problems during the time I was there. Which was kind of interesting, nobody who was totally off the reservation on any issue. A lot of good active debate.

Very strong ambassadors, perfectly willing to listen to what you had to say, no matter how outrageous it was, either refute you or buy off on it after awhile. So, it was a good time. It was a very stimulating time.

Q: The Pakistan element here. What was your impression, both from you dealing and the ambassador's dealing, with Zia.

MCCARTHY: Zia is often seen poorly, at least for somebody who is interested in foreign policy of my day, of my generation. I went to Pakistan with a lot of conceptions about Zia that turned out to be wrong. I think I bought off on this Jimmy Carter stereotype of the hard-hearted dictator. He wasn't much like that. A lot of people who had been around for awhile, warned me that I came to know him in 85, he took over in 77. He had a long time to polish his act. He'd done most of the hard things, in his first few years in power. Bhutto, his predecessor had already been hung. Everybody else who needed to be eliminated had been eliminated.

That being said, I thought he was a remarkable guy, very much in tune with what needs to be done to run a very complicated country with a lot of problems. Pakistan is not rich, it's full of people. Zia, as well as most of his predecessors, made the wrong resource choices. A strong military, very little money into things like education and public health. Did they have choices, did they have options? Yes, and the mix could have been addressed a little differently. Not fundamentally differently because India has been breathing down their neck ever since Pakistan became independent. So it's a “damned if you do and damned if you don't” kind of place. Probably requiring a very strong hand at the top.

Zia was a strong hand, he had a human side. I think he was doing a very good job. Certainly by the time I got there, he was a skillful manipulator of almost irreconcilable internal pressures. Plus the added pressure of the war next door in Afghanistan.

The United States government coming at him in several different ways. Pressing support on him, if you're looking at the administration. Trying to cut it all off, if you're looking at people like Senator Pressler, all the anti-nuclear lobbies. Very hard.

The other thing, by the time I left, unfortunately I think Zia had run out of options. He had manipulated the Pakistani political scene. He got rid of martial law, I think it was in the beginning of 87, and picked a civilian prime minister who was fairly lack luster. I think he was supposed to be that way. I think Zia saw himself, and even redesigned the constitution to fit that way, so that you would have a weak prime minister, a strong president and everything would go on very well. The prime minister, whose name was Mohammed Khan Jinejo, didn't quite see it that way, particularly as time went on. Tried to become an independent power base. Zia finally sacked him, not very long before I left. It must have been a month or so before I left. My thought then was, uh oh, this man is running out of options. Already Benazir Bhutto was back, ready to lead the opposition. The daughter of Zulfikar Ali Bhutto. Smart woman, bright as a whip, not prone to listen to anybody who had anything to say different from what she thought herself. But anyway a real force.

Zia needed Jinejo or needed the end of martial law and the promise of a return to civilian rule in order to stay on top, I think, and in order to keep people reasonably content. Then he dismissed Jinejo, that was an inherent contradiction in the policy he had been pursuing for the last 5 years. He was out of options. Of course, no one knows what would have happened next because what happened next was that he was killed in a plane in August.

Q: Along with our ambassador.

MCCARTHY: Along with our ambassador. This all happened about 6 weeks after I left the country. I departed, Zia gave a farewell dinner for me, Arnie gave a bunch of farewell parties for me. It was a lovely way to leave a country. I felt that I had made important contributions, I was leaving a place that was doing pretty well from a lot of points of view.

Just a few weeks later, those two men, in a way I haven't thought about this before, but those two men, obviously, and the guy who ran our military assistance unit, a guy named Herb Rosen, a brigadier general, was killed in that crash. The man in Zia's office whom I called about 4 or 5 times a week, to make plans about visitors and to ask his advice, to tell him that we needed something, a Pakistani brigadier, he was killed. The guy who had run their intelligence service, he had moved on, he was chief of staff of the army, a close friend and a very lovely man, he was killed. In the space of just a few moments, and just 6 weeks after I left the country, 6 or 8 people, Pakistani and American, whom I had intimate relations with throughout the time I was there, weren't around anymore. It was very odd. It was really a very hard thing to deal with.

Q: How did we feel about the Pakistanis and what they were doing with the aid. You say they were the conduit to the Afghan Mujahideen. What did we feel? Did we feel that the Pakistanis were siphoning much off, was this a problem?

MCCARTHY: I could say that I can't answer that question because I don't know too much about it, that's more or less true. There was an effort to provide accountability. But it's difficult to account for things that you're not doing. And our official policy is that we weren't doing that stuff. Also, even the Pakistanis, once they turned over the stuff to the Afghans, then even their ability to do much accounting disappeared.

I think the people who were the accountants for our side, in other words who had this responsibility much more than I did, built in a lot of fudge factors and had a lot of general formulas that they applied to the stuff. I think the common wisdom was that at every step of the way, somebody peeled something off. Not necessarily to steal it or to sell it, but to

store it, in case the weather turned rainy. In other words, the United States might change its mind tomorrow. The anti-nuclear lobby might get a cut-off to foreign aid to Pakistan. Therefore, we better keep the stuff in supply.

I think there was a sense that you had to keep pumping in large amounts because at every exchange point somebody is going to be storing something. Then, of course, these were human beings you were dealing with, some people somewhere along the line were cheating, stealing.

There was an incredible arms market in a place called Dharra. A little town in the middle of nowhere in the northwest frontier province. It was a market town with stalls, just simple concrete structures with a front that opened to the street and 3 walls in the back, and a little counter and a guy sitting there. Instead of selling lettuce or bales of cotton, these guys were selling submachine guns and AK 47s, grenades, RPGs, and anything you could possibly want. If you said, gee what about a tank. He didn't have anything right in the building but he could probably get you one. Later on people said the same thing for something like a stinger. There were stories.

But certainly, there were several hundred arms merchants in this town selling just about anything. Much of it in fact Russian origin, Chinese origin, it was coming from anywhere. There would be very little US government issue because there just wasn't very much going into Afghanistan that had been manufactured in the US.

Q: Could you describe the nuclear issue and how it affected us?

MCCARTHY: Pakistan is not a signatory to the nonproliferation treaty, neither is India. The nuclear nonproliferation treaty.

India has had a couple of peaceful nuclear explosions. Pakistan has had no nuclear explosions. There are nuclear power plants in Pakistan. There is a congressionally mandated requirement that we, the administration, render judgments, I think it was every

6 months while I was there, as to whether Pakistan is engaged in research designed to create nuclear weapons. Those certifications were very difficult to make because through intelligence we were aware of purchases of centrifuges which would be used in the production of enriched plutonium. We were aware of different exchanges with China and with others. The French were always in the market to sell Pakistan something or other in the nuclear field. We were always worried about that.

All the while I was there, maybe 10% of our time would be devoted to thinking about what was going on in the nuclear field in Pakistan. I think after I left, several years later, we were no longer able to certify that Pakistan was not trying to develop a nuclear weapon. So that was the sort of day-to-day concrete side of things.

Should Pakistan be concerned about its neighbor India? I think the answer is yes. When I went to India, I went a couple of times on business, I had some consultations, it didn't take very much to get some Indians. They weren't the Indian government when I went there but to get some Indian thinkers who were pretty influential, talking about the fact that Pakistan was an aberration. That India really never should have been divided, that historically the country is a unit and needs to return to being a unit again. If I were a smaller, poorer country right next door, I think I would want to weigh carefully all of my options including the nuclear. I suppose the enlightened part of US policy at that time was trying to push both countries to adherence to the nuclear nonproliferation treaty. We haven't succeeded yet.

I don't think it's impossible because neither country can really afford much of a nuclear establishment in terms of the cost involved. Somewhere down the road, if you can develop some kind of mutual trust, some of this is pie-in-the-sky. But it seems to me that in terms of nuclear tension, this is almost the last one that risks getting out of control. The kinds of things that people used to worry about in South America are not real anymore, the South African issue seems to have been resolved. So there aren't too many nuclear problems. The Koreas here, Arab-Israeli, from a universe that use to consist of 6 or 7 real flash

points, you're now down to several and this is one of them and it's not insoluble. It's just very difficult.

Q: What about congressional, you keep talking about the anti-nuclear congressional establishment, did that play much of a role?

MCCARTHY: When I was there, the answer is no, because if you wanted a policy that had bipartisan congressional support, it was the policy which we never admitted publicly we were engaged in, supplying arms to the Afghan Mujahideen to drive the Soviets out of Afghanistan. So, you would get an occasional expression of concern from a senator whose main interest was nuclear but that was drowned out by the overwhelming hundreds of senators and congressmen who said — wait a second, this is important but they're helping us in Afghanistan and we have to keep our eye on the ball.

So, no, it was only after the Soviets were gone that aid was cut. I think this was real politik writ pretty large in the minds of the men and women in congress at the time. It was important but it wasn't as important as the anti-Soviet effort.

Q: During this period of time, how are relations with India with Pakistan?

MCCARTHY: US relations with India were, in fact, entering a very good period. We got along well and I think the relations continued to improve throughout the last decade. A lot of it is trade driven. India is a much bigger market than it ever was before. India has, little by little, opened itself to American and other foreign investment. India and the US have a more complicated range of relationships. It's easier to see the pros and the cons, the positives for both sides in various aspects of the relationship.

Pakistani-US relations have always been basically strategic and that hasn't changed very much.

Pakistani-Indian relations, while I was there, were not bad. I guess Rajiv Gandhi was prime minister. He and Zia got along okay. I think they probably had a certain degree of respect for each other. There was one period toward the end of the time I was there, when there were military maneuvers on both sides and people got edgy. But nothing much came of it. There were several summit sessions. There is also the South Asian economic grouping.

Q: ASEAN.

MCCARTHY: Not ASEAN, there's a less known one for the countries around India.

Anyway, that group met twice a year at the summit level. Rajiv Gandhi and Zia started to have occasional meetings on the sides. They agreed that there should be conversations on things like military and narcotics. Which was a big problem for Pakistan and an emerging problem for India.

So that I think for the first time, probably for a long time, maybe a couple of decades, Indian and Pakistani senior civil servants started meeting every once in a while, discussing discreet issues and making little bits of progress. There was a, it flared up again later on and I think now it's probably calm again, it's something called the Siachen Glacier, which is a 20,000 foot high set of mountains and valleys, a glacier basically, that are in an undefined part of the Indo-Pakistani border. Tempers flare every once in a while and there's fighting.

When I was there, they talked about that and made some sort of progress reaching some sort of a settlement. It broke down later and there was even some terrible fighting.

Narcotics, I did a lot of stuff on narcotics when I was there. The Secretary General, the senior Pakistani civil servant, felt that his Indian counterpart was interested in doing things like improving their knowledge of what was going on across the border in the Lahore

area between both countries. So there were little bits of progress. But sort of general bad feelings.

What else was happening. There was even some movement of peoples. I think some of the Pakistanis and Indians, there were more scheduled flights. There was more movement back and forth across the border. That's probably taken a turn for the worse because there have been bombardments in Kashmir from across the border.

But, it was a pretty good time for Indo-Pak relations when I was there.

Q: One of the interesting relationships sometimes, some embassy relationships like our embassy in Ankara and our embassy in Athens get involved in things. Tel Aviv and any of the Arab capitals. Obviously our embassy in India often is at odds with Pakistan but I take it that this was not a period...

MCCARTHY: No, John Gunther Dean was, I think, our ambassador most of the time that I was there, maybe somebody else came later on.

On nuclear, there would be occasional pissing matches. First of all, yes, there is this tradition that the two embassies disagree violently on lots of issues. The two men involved for most of the time that I was there, Hinton and Dean, didn't.

Q: They weren't from the area, they were professionals.

MCCARTHY: They had some grudging respect for each other, I'm not sure that they liked each other, but they liked each other's intellect. They would occasionally have some unpleasant exchanges of telegrams. Generally without copying them to Washington. And if they did, I think they all got eventually settled. I think the exchanges were pretty good, I think there was a fair amount of respect from both sides.

That, again, was probably one of the signs — we encouraged visiting back and forth by senior people from both embassies. Their DCM came to Islamabad and I went to Delhi,

the political counselors went back and forth, the ambassadors went back and forth. I think it wasn't bad given that your client and their client was frequently at loggerheads. It wasn't bad.

Q: You left there in 88 and where to?

MCCARTHY: Almost immediately to Beirut as ambassador.

Q: When you left there, was that a regular leaving of the post and did you know where you were going?

MCCARTHY: I had a 3-year assignment and I finished the assignment. I'm trying to recall if there was any uncertainty as I was going, and I guess the answer is no. In other words, I didn't go through the normal getting through the end of an assignment process where you start worrying what you're going to do next.

I wanted to become an ambassador and I guess I was in telephone contact with the Director General's office back here. I was remembering it wrong, there were some things I was interested in, nothing very conclusive happened. This is probably towards the end of 87. I remember one of the jobs that was open, that I never said a word about, was the embassy in Beirut. Because it would have been an unaccompanied tour, I couldn't bring my wife.

At any rate, the only embassy that was obviously being offered to me, it soon became clear, was Beirut. I remember having several discussions with the ambassador, who was then Arnie Raphel, and Arnie had been senior deputy in NEA before he came out to Pakistan. He was absolutely enthusiastic. He said, “Why not take that job, it's great.” Okay, so you won't be with your wife but it's really a very exciting place to be, lots going on.

I spoke with my wife quite a lot about it. I had been very lucky in the foreign service, I liked my assignments, I liked what I did. I have really been one of these people who go around

saying: I'd never believe you could be paid for doing such fun stuff. My whole career I really did things that I thought were wonderful and I got paid. It seemed to me that if the system was asking me to pay them back a little bit, maybe the time had come to do that.

There is a complication, in my personal life, in that I had been asked one other time, this was when I was back in Brussels, probably around 1978 or 79, I was asked if I would go as a Thai-speaker to the Cambodian border and do some work in a refugee camp. My impulse was to say yes. I discussed it with my wife and she said, “You can't do that.” Because, we were then newly married and I had 2 children from my first marriage and she was raising them with me. My first wife had died so my wife had adopted these kids and was raising them. She said, “I'm not going to take these kids on my own, that's not right.” So I had to tell the department, “No,” in 78 so when they approached me again in 88, it seemed to me it was time to say yes. So I said, “Yes.”

That was the genesis of it. I think it was sort of cleared in advance with the people in the system. The way ambassadorial appointments were made in those days was that Ronald Reagan would call you, the president would call you, and ask you if you wanted the job. Of course I'd been warned that the president was hard of hearing and you had to be careful. After all we were in Islamabad, Pakistan, this was probably around Christmas time in 87, and the phone connections weren't all that great anyway.

The phone rang one night, it was the White House operator, was I John McCarthy, yes, the president was going to come on the line, I held on the line, the president came on the line. We proceeded to have a fairly inane conversation because I don't think he heard most of what I was saying. Eventually the basic question, do you want to be the ambassador, will you accept the job as ambassador to Beirut was asked. I got across the fact that I was saying yes and he thanked me and said that it was a very difficult job. More than that we didn't really exchange because he didn't hear at all what I was saying. Anyway, that's the way it happened, end of 87 into 88.

I stayed on until June. Normal exchange, basically. I guess the vagaries of the congressional hearing process got involved in my case because we actually were supposed to leave earlier by a few weeks. Then the department said it's all right, you can stay because they're not going to do hearings until later this summer. And we made fairly elaborate plans to take a nice vacation in Turkey. I'm an archeology buff and there are all these wonderful Roman sights that we were going to see. We got to within about a week of going and suddenly the department said, “You've got to come back right away because they're going to do your hearings toward the end of next week.”

So, no big deal. We did go back. We got to spend about 4 or 5 days in Istanbul instead of 2 or 3 weeks, and the rest in Turkey. We got back I think a few days in advance of the hearings to get ready. Of course the hearings were scrubbed for that particular week and we could have done whatever we had wanted to do.

But the hearings took place and it was interesting because people worry about how is my hearing going to go; what will they ask me. In my instance they didn't ask me anything at all basically. Senator Sarbanes was there, somebody else was there maybe, but it was mostly Sarbanes and he was very complimentary that I would take this job and he was wishing me luck and that it was going to be very serious and very difficult. It went very easily and I was with 3 other people who were up for various other posts at the same time.

One of the 4 of us, in fact, didn't get away very easily. This guy got some questions from Rudy Boschwitz, I guess, who was then a senator.

Q: Minnesota, I think.

MCCARTHY: I was going to say either Minnesota or the Dakotas. He asked very unfriendly questions about what this guy had done in terms of using his secretary to help him work on a book that was private work. This was very unpleasant. The man had been

nominated to be ambassador to Morocco. The nomination was later withdrawn. It never got beyond this stage, it never went to a vote.

The other two, these are people I know well. This was Chris Ross and Ed Djerejian. All of us just breezed through very easily except for this one guy whose name escapes me at the moment.

Q: You keep mentioning that this was an unaccompanied tour and that Senator Sarbanes said this would be difficult. What was the situation in Beirut? You were in Beirut from...

MCCARTHY: 88 to 90.

Q: What was the situation in Lebanon, at that time, to cause this?

MCCARTHY: The civil war which had started in 75 was still underway. It had gone through various changes over the years but at that stage there were 7 or 8 American hostages being held by Shiites in the western suburbs of Beirut. The American embassy had been blown up 2 different times, the American barracks had been blown up, this is all in the early '80s.

Q: An ambassador had been assassinated.

MCCARTHY: An ambassador had been killed.

Q: Frank Meloy.

MCCARTHY: So, it was known to be a dangerous place.

It was sort of at the climactic moment, of course you never know that, except by hindsight, because although Lebanese for years had been saying this is wasteful, we have to find a way out. They really were on the verge of finding a way out. That was going on while I was getting ready to go there and while I was there.

Anyway, the hearings took place, the confirmation vote took place. I think by early August I was confirmed. And then, unlike most ambassadors who pack their bags and go to post, then began a period of consultation as to whether or not it made sense for a new American ambassador to go to Beirut at that particular juncture.

This was interesting because Dick Murphy was the assistant secretary at the time, John Kelly, whom I'd already replaced in an earlier job as we discussed this morning, was still on the ground in Beirut. The Lebanese, again, had not been able for a variety of reasons to figure out what was going to happen next in terms of presidential succession. Amin Gemayel, who was the president of Lebanon, was due to be replaced in an election to be held in the parliament no later than September 23rd. There were the usual number of candidates. In Lebanon you have to be a Maronite Christian male to be the president. I don't think I ever met a Maronite Christian male who didn't think that he would make a really dandy next president of Lebanon.

So, you have to have some sort of a shake-out of the candidates and the shaking-out wasn't happening. The principal method for shaking things out in 1988 seemed to be to get approval from the president of Syria, Hafez Al Assad, that you were indeed the candidate. So all of that year, various Lebanese Maronites would tool over to Damascus, if they didn't think they would get killed in the process, if they hadn't already burned their bridges, to try and get Assad to somehow bless their candidacy. Of course Assad, playing his cards very close to his chest, wasn't giving.

Q: He was the president of Syria.

MCCARTHY: He wasn't giving any clear signals to anybody. There was a lot of debate in the state department, I think, as to whether or not we should get involved in this process of electing the Lebanese president. In the end, Dick Murphy and a woman named April Glaspie, did go on several missions to Damascus to talk with the Syrians, to talk with the Lebanese. I guess to try to broker an election, is one way to put it.

There were various lists. Gosh, all of this comes flooding back, I think I've been repressing this kind of stuff because it was such a mess. Murphy had lists, other people had lists, there must have been all sorts of different lists. At any rate, the magic deadline came and went and there was no election, there was no agreed candidate. There was no president.

To get back to me, I kept sitting in Washington because Dick and other people felt that while we were trying to negotiate this outcome we might as well keep Kelly in place. There was no sense messing up McCarthy and putting a potential blot in his copybook if this didn't turn out right, and of course, it didn't turn out right.

So, I didn't go until the day after there was no longer a president of Lebanon. This was all by pre-arrangement. I got on a plane and I flew to Cyprus and I got on a helicopter, because we didn't make any movement in or out of Lebanon in those days, official Americans, it hasn't really changed, except by helicopter. Our own US army helicopters from Larnaca, I take it back, I think they were Air Force helicopters when I first came, they shifted it to army later on, right to our own helipads on our embassy compound in Beirut.

I got there the day after Amin Gemayel was no longer president. I did call on him as an act of respect. There unfortunately were already 2 prime ministers. There was a self-appointed Christian prime minister whose name was General Michel Aoun. The previous Muslim prime minister remained in office. They sort of dismissed each other in the days that followed. But for all of the time that I was on the ground in Beirut, I lived in East Beirut which was an area controlled by the Christian prime minister who was also the head of the army, but I visited fairly frequently the Muslim prime minister. I went with a set of credentials, I guess, addressed to no one. I was instructed not to present my credentials to anybody until there was a president. My credentials sat around for a long time.

Q: Just to get a feel for this, as you saw it in 88, what was the root cause of the civil war?

MCCARTHY: The root cause of the civil war was, I think, basically inequity and a political system that was frozen in time and no longer, in any way, reflected realities on the ground in terms of the ethnic mix. What this principally meant was that there was an over-representation of the Christians in the parliament and an under representation, particularly, of Shiite Muslims. That was one aspect of it.

I think another aspect, as I understand life in Lebanon up until that period, was that all of the people who were in the system, including a few Shiite Muslims, certainly Sunni Muslims and Orthodox Christians and Maronite Christian politicians, the old system worked very well, to the advantage of a small number of people. Those people had plundered the system, had benefitted from the system over and over again, weren't about to expand it.

So you had this over-representation of Christians and you had system that wasn't fair, period, in terms of the overall population. Then there were overlays, you had a large Palestinian refugee population in the country, you had active Palestinian attacks on Israel from southern Lebanon — those are the root causes. By the time I got there they had almost disappeared in a wealth of day-to-day events which rotated around the fact that there wasn't really a Lebanon anymore except in a few instances. What there was was an area of 10 or 12 different mini-states run largely by different militias or by the army. It wasn't just a Christian or Muslim breakdown.

I got around a lot of the country, not the whole country, as you traveled to the east you run up to the Druze area run by Walid Jumblatt; as you went to the north you went to a Sunni Muslim area dominated pretty much by the relatives of the assassinated Sunni prime minister named Karame; if you went a little further north you went into a Christian area; if you went further east there was another Christian area; if you went south of Beirut, which I never did, around Sidon, there were some Sunni guerrillas in charge; and another area that was a little Christian area that was pretty well isolated from the rest of it; further

south around Tyre there were Shi'a in charge. It was very complicated and not much was working.

The other change, I think, that was impelling the Lebanese toward a solution in the years that I was there, was that the Lebanese pound, which had remained remarkably stable from 75 till about 85, had suddenly started crashing through the floor. The pound went from 3 or 4 to the dollar where it was pretty constantly for that decade, it kept going to 100, 150, 200, 300 — it was really starting to disappear as a currency. This was affecting peoples' incomes, the way people lived. I think a lot of the issues, that had somehow not come to the fore for the first decade or so, were really falling apart in the late '80s.

Then, of course, this laughable situation where there was no president and there were two prime ministers. And, every other agency in government began bifurcating into two. There were 2 foreign ministries to worry about, to the extent that any service existed. They were also beginning to break up into at least 2 ministries.

Q: How could you operate? If you can't go in the regular way, if you have to be helicoptered into a country, you've got areas like the South where you can't go. It's not just you as the ambassador but obviously the rest of the staff. In a way, what were we doing there and how did you operate?

MCCARTHY: Again, I wasn't starting any of this, I got there 13 years after it had begun so a lot of the routine of a normal embassy had disappeared years before. For instance, in the wake of the embassy bombings, somewhere along the line we had decided it was no longer prudent to issue visas. So we had a consular officer at the embassy, very interesting woman, but we weren't doing normal consular work.

Q: Who was that?

MCCARTHY: Her name was Jean Bradford. We weren't doing consular work, we weren't issuing visas to the Lebanese. The kinds of movement, on and off an embassy compound, that you would see almost in any country, weren't happening here.

We had an AID officer and we had an AID program of some size. But, again, it was an indirect program. In other words, the programs all went to nongovernmental organizations and were administered by them. We basically had no administration.

When I got there, there were about 30 people or so. Most of the traditional functions of an embassy were held by maybe 1 person or maybe 1 person might be wearing 2 hats. USIA did not have anybody on the ground. They had decided, a year or two before that, that they couldn't do the normal kinds of public programming that USIS would do. The political officer did some of that, to the extent that he could. And, of course, we had some really good FSNs. A lot of the life of the embassy was restricted. We had marines. They went out a little bit on the weekends.

It changed a lot. I was actually on the ground for about a year and the first 6 months were reasonably normal within this fairly restricted kind of approach. The second 6 months nobody did anything and you could begin asking yourself, “Why am I here?”

But the first 6 months, I went around. I called on everybody in town. It was kind of fun. I had this photo gallery of me and religious leaders basically. I called on the Maronite patriarch, I called on the Orthodox archbishop. There was a large Armenian population in Lebanon. There were Armenian Protestants, Catholics and orthodox Christians and they each had a religious leader. I called on the guy called the Sheik el Akl, the religious leader of the Druze. I called on the Shi'a clerics, whom I could get to. There was a guy named Shamsuddin who was a major religious Shi'a religious leader. I thought it would make sense to call on Mohammed Fadlallan, who was a more radical Shi'a religious leader. But I couldn't convince anybody in Washington that that made sense.

At any rate, I had photos of me with a bunch of religious leaders. I certainly met Nabih Berri who was a Shi'a politician. For a while it wasn't clear back here if I should be calling on him or not. Eventually, I was authorized. I called on basically anybody whose hands were not so tainted with violent acts that it would be misconstrued. So I had a very active schedule of political consultations.

In the early months it was listening to, particularly to the Maronites, as to whether or not, or to what they saw next as a way to get a president elected and how you would do that. This was a remarkably difficult time, I'm sure, from the Lebanese point of view. Because they had all assumed that like every other presidential election, they would probably come smack up against the deadline, and yet when they got to the last minute, somebody would get picked! There would be a president. This time, they screwed up so badly that there wasn't a president and they really didn't know what to do next. They were scared about what was going to happen next, basically.

I think they were intimidated. How do we get out of this bind? Nobody had any good ideas for a while. It was a time when people were re-assessing where they go next. I was listening, as much as anything. We were not too interested in new initiatives because the Murphy initiative had been an investment for us and we hadn't gotten anywhere either. I think our sense was — okay, we thought we could help, we thought it would make sense; you guys didn't like our advice.

We did want them to go for one president. It wasn't so clear that we actually had a candidate but we had endorsed a process which would have led to the selection of one out of a very small number of people. They said no. Those people aren't the ones we want. So, I think our sense for a while was to let them stew in their own juice and see what happens.

Q: What were you doing? Going out and saying, I'm here to listen and that's sort of it?

MCCARTHY: Pretty much. On both this narrow issue and the broader issue. There was this real sense. The first thing that any Lebanese politician would tell you was that — we can't go on like this, we've got to make a deal. So there was a sense that the time had come to make a deal.

But, they weren't scared enough, I suppose in retrospect. There was no violence. There was very little, there was the usual very low level of violence for those first few months. I think people just got used to it as yet another iteration, or another elaboration of this funny Lebanese game of politics and it was going to be all right. Therefore, not much was happening at all.

Q: Sometimes you get into a situation like this, Northern Ireland is a good case in point, where the man with the gun, pretty soon this becomes the way of life. They're getting their support and matching money and power and all this. So the politicians can go twitter away but the men with guns they don't see peace as being beneficial to them.

MCCARTHY: I think that's true. I think that that was sort of what was happening. For the first several months, this was September it wasn't until January of 89, at the end of the month, that the first inter-Christian violence broke out. People stepped back and said, “Oh, this is going to be really terrible.”

People were getting used to two prime ministers, no real government, not much going on as a normal way of life because there was still bread in the stores. The amazing thing about Lebanon, people have told me this and I sort of thought: Yes sure, this is not going to be true. But it was true. Life was incredibly normal. In those first few months there were concerts to go to, there were art openings in various galleries and museums. There were as many lunches and dinners on an incredibly lavish scale as anybody could possibly want to go to. The American ambassador was one of everybody's favorite guest. So it was rather an intense way to begin a new assignment which was very typical of other places you'd been except that the scale was more lavish.

Q: Bob Dillon was telling me about this, the same thing. How easy it was, in a way, to get overwhelmed by Lebanese, particularly Christian, society there.

MCCARTHY: I wouldn't stop at just Christian, the Sunni did very well. Walid Jumblatt and I took to having lunches every once in a while up at his place and he certainly entertained at a very lavish scale. I wouldn't say it was just Christian. I think you saw more Christians than anybody else because we were living in a Christian compound.

Q: How did you get around?

MCCARTHY: It was great. It was expensive and intimidating. I was going to say fun but only one part of me really liked it. I would go out in the company of 2 American and 16 Lebanese bodyguards in a motorcade of no less than 6 vehicles and sometimes more than that. The first day I got into my car there was a revolver on the seat with me. I said, “What's that?” They said ambassador Kelly liked to have that there in case something happened.

In fact, about a week or two before I went to Beirut, John's motorcade was involved in a shoot-out with a couple of other motorcades. It turned out that it was sort of a mistake, or bad tempers. No one was really trying to assassinate him. But it wasn't clear for a moment or two.

Anyway, my bodyguard said the ambassador liked to have that on his seat. I said that I don't really want to have a gun in the back seat with me. “So if you guys promise you'll take good care of me, I promise I'll never go near that gun, get rid of it.” So they got rid of the gun.

The other thing I needed to do was to disarm my staff. In the first staff meeting I noticed that even the Admin counselor had a little pistol strapped to his waist. I think you get into a kind of psychology of violence. Almost everybody was armed. I said I don't want guns in here, someone is going to get hurt. So we developed a system where anybody who was

wearing a gun checked it with my secretary before he came into my office for a meeting. I breathed a little easy after that.

Anyway, life had this fairly normal atmosphere in Beirut for the first few months. Within the Christian community there was the Christian prime minister, Aoun, with a lot of support. He was liked because, across the religious spectrum, he was liked because he spoke like a Beirut taxi driver. He was a very humble man of few pretensions. Although he pretended his political analysis was good.

He made, in the first few months, the kinds of statements that every Lebanese really wanted their leadership to make about Syria. He said he would break the neck of Hafez Al Assad, a very injudicious remark because he didn't have the strength to do it. He said that all he wanted was for Lebanon to stand on its own and to be free of foreign influence and that the Syrians should go home and blah, blah, blah. I mean all wonderful stuff.

Obviously if you're going to have a sovereign state you have to have correct but separate relations with your immediate neighbors. This was the rule that most Lebanese politicians had broken over the years. Aoun himself broke it because his way of getting free of Syria was to fall very heavily under the thumb of Saddam Hussein, of Iraq. There were lot of Iraqi — both weaponry and money. And various Lebanese leaders had developed very close relations with Israel over the years.

So Lebanon becomes sort of a playing field for all of the neighbors in one way or another. Aoun said he was going to reverse all that so this made him very popular. The trouble was that he didn't really have the wherewithal to deliver on any of these kinds of things. Pretty early on, within the Christian community, the other major military figure, a man named Samir Jaja, who was the head of the Lebanese forces which was a right-wing militia that had grown up over the years, he and Aoun started having a falling out.

There was a little incident somewhere up at a ski resort. People who seemed to know told me that what it was was a bunch of thugs, from both the army and the militia, arguing

over their place on a ski line to get on a lift. A couple of shots were exchanged. Then for about 48 hours there was shelling back and forth between these 2 Christian groups. The army wasn't totally Christian, it was to some degree integrated. But these 2 groups shared control of the Christian part of Lebanon, of Beirut, for 48 hours. This was eventually settled. A truce was put back together. They swore that they would never do this again for all time. But it was a very patchwork kind of affair.

I think it made everyone realize, by the end of January, that the situation that had begun in September wasn't going to last. There were not the financial underpinnings, the political underpinnings necessary to maintain even a fragile kind of society just weren't present anymore and that they were in true serious trouble.

At the beginning of March, so really only 5 weeks later, all hell broke out. Because somebody began shooting across the frontier, between the Muslim and the Christian parts of Beirut. I don't think it's ever been made clear as to who initiated the fighting. My own bet would be that Aoun was getting tired of the stalemate and thought it would be nifty, a good way to get some attention to his problem. He liked to get press coverage particularly in Europe, in France and in the United States of what was going on in Beirut. I think he saw this as a way out, maybe not.

A lot of times in these situations, and that you see in Yugoslavia, or you did see until recently, local people on the ground start something. Someone on the other side responds and before you know it you've got an all out exchange of artillery, when nobody really meant much more than to lob a shell on somebody's rooftop.

But anyway, fighting began in March and continued all the while that I was there, on the ground. I left in early September of 89 along with the embassy staff. The fighting continued until, I think, October when, in fact, the Syrians went in and mopped up Aoun and that was the end of that.

Once the fighting began in March, what had developed in the meantime and we obviously had been a part of the development, was an Arab league effort, once and for all, to bring an end to the Lebanese civil war. I think when the fighting began, the responsible part of the Lebanese leadership realized that this was an opportunity. They really better take it because there wasn't going to be another one.

So, from March on these meetings were sponsored by the Arab league. There was an assistant secretary general, an Algerian, Branim, and a 3-country committee — Morocco, Saudi Arabia and somebody else but the Moroccans and the Saudis were the biggest players — were trying to develop a compromise agreement that would recognize, to go back to your fundamental causes, that would recognize the need to have a 50-50 split in the parliament. Implicitly begin a more fair distribution of assets, of government responsibilities among the various confessional communities in Lebanon.

There was a meeting in Taif, Saudi Arabia, that went on for some time. An agreement finally was reached, probably in April, I'm a little hazy here, April of 89, which became known as the Taif Agreement. And then all of the time that I was there from then on was devoted to trying to get maximum acceptance of the Taif Agreement by the various Lebanese factions.

Q: Were we a player in that?

MCCARTHY: We were not a player. We were not a front-line player. This was an Arab solution. We liked it, the American administration supported it. I should tell you next time around something that I'm quite proud of, that I think was very interesting. What happened was that American Lebanese, particularly the Maronites, didn't like the Taif Agreement. Aoun, of course, never bought off on it. Generated a fair amount of criticism of the administration here among the Lebanese American community.

This was hard to take because this was George Bush. These Lebanese Americans were basically good republicans. It was embarrassing. George Mitchell, democrat, but nonetheless Lebanese American, also was having a hard time dealing with it.

What I wanted to tell about was that when I came back in September of 89, what I did rather actively for the next 3 or 4 months was to go around this country to appear before Lebanese American audiences to explain how we had moved ourselves in back of the Taif Agreement. It was fun and it made a lot of sense, it certainly kept me actively employed.

Q: Basically you left...

MCCARTHY: I think it was September 5 or 6 of 89.

What happened was that, I mean you tell a lot but you don't tell enough. I said that I never presented my credentials all of this time that I was on the ground. Increasingly, this rankled Aoun. Particularly once the fighting started, he wanted us to recognize that he was the prime minister of Lebanon. He didn't like it that I would still see Salim al-Hoss from time to time. He liked it less and less as time went on. Things were getting bad. People were being killed. There were demonstrations in favor of Aoun, there were demonstrations against Aoun. In front of his place, in front of our place, basically all over town. The summer of 89 was a very tense time in Beirut.

A woman I knew who was totally apolitical was killed but very prominent, from a very prominent Orthodox family, was killed one night in her house. A member of parliament was killed one night when he went out on the balcony to see what was going on. He was hit by a piece of shrapnel. One of my neighbors down the street, in this very prominent part of town, was killed one night as he was washing his hands in his bathroom.

There was too much shelling going on. There was too much happening. People didn't like it at all. The ferry was shelled coming from Larnaca. That was basically the Christian lifeline to the rest of the world. There were no more parties. The shelling stopped the

aspect of Lebanese life that you said Bob Dillon told you about that went on throughout the rest of the war. There were no more parties. For some poor people there was no more food. And even for someone like me there wasn't much around. I didn't go hungry obviously but there was no more French cheese, there was no more good meat.

People were living in their bomb shelters, including me. In the evening hours they were listening to the radio carefully to see if there was nothing going on in their neighborhood. If that was true then they would go out and forage a little bit in the market or in the stores to see what they could find to eat. It was not fun. It was a very difficult time.

At this stage, there wasn't much for me to do. You could go around and talk to the politicians but they didn't know much, you didn't know much. Nothing much was happening. People were just shelling each other, waiting to see what would happen next basically. My staff wasn't going anywhere. We didn't want them to go anywhere. We had a couple of drawdowns, we were smaller in number than we'd been at the beginning. It was a time when people were waiting for the next development and didn't know what it was going to be.

Aoun precipitated our — there were debates throughout the month of August in Washington at the highest levels: should we get them out before they get killed. That debate was ended in a meeting that Larry Eagleburger, who was then deputy secretary, told me about, on the positive side. The decision was: We'll keep them there.

Within about a week after that Aoun decided: I'm going to put a siege around the American embassy in Beirut. So he sent a couple of thousand demonstrators in front of the embassy. They were led by a dumb guy from a prominent Lebanese family, whose name was Tueni. He announced that we were disloyal, that we were not good, we were not supporting Michel Aoun. We didn't issue visas to Lebanese and therefore Lebanese weren't going to let us wander freely around their country either. We would not be allowed

to leave the compound without a visa given from his people. And Lebanese wouldn't be allowed in to see us either.

We were, in effect, being taken hostage.

I think Aoun saw this as a way to get himself back on the nightly news in the US. I reported all of this to John Kelly, who was then our assistant secretary. I spoke to the secretary at one stage. There were cabinet meetings all day long in Washington on, I think it was September 5th. The final decision was that we would leave the next morning, September 6th, by helicopter, the whole embassy, which by this time I think we were down to 29 people counting a couple of visitors. That's what happened.

In the run-up to the departure I had a number of telephone calls with Admiral Snuffy Smith, Leighton Smith, the guy who's running the NATO operation in Bosnia now, he was very good. He got us out. The irony is that we didn't leave because of the fighting. In fact, it's interesting, there was an American presence throughout the Lebanese civil war. I think we would have stayed right up until the very end of the fighting. But for political reasons we eventually were driven out.

It's ironic because the guy who drove us out really thought that he would be sort of turning the screws on us just a little bit.

Q: We'll pick up on this at this point.

Today is the 28th of February 1996. I suppose let's talk about the hostages while you were there. In the first place could you explain for somebody who might not be familiar, what was the hostage situation while you arrived and how did it develop while you were there?

MCCARTHY: I got there in September of 88 and by that time there were, I've forgotten the exact number, somewhere between 6 and 8 Americans who had been taken hostage at various stages of the Lebanese development by radical Shi'a who were being held

generally it was thought that they were being held in the southern suburbs of Beirut. Some of them had been taken as long ago as 84, it seems to me. Others had been picked up in the time since then. In addition to the Americans, there were also several Brits, some Italians and maybe a German or two.

One of the Brits I followed very closely because his name was John McCarthy. And I had at least one uncle who would get confused because he would read about a John McCarthy in Lebanon and always thought it was me. I would say, “No, Uncle Joe that isn't me, that's somebody else.”

At any rate, there were a number of people who had been taken hostage but the Americans, obviously, were of special interest to us. One of the personal ironies and frustrations to me was, as I said, these people were in the southern suburbs of Beirut and my house, the house where I was living was a gorgeous place on the hillside to the east of the city, and overlooked the southern suburbs of Beirut. So, in effect, I could go out on my terrace and look several miles off to the distance, catch a view of the Mediterranean, see the airport which was in the southern part of the city, and know that somewhere in this urban sprawl that I was looking at were, more than likely, these Americans whom we would dearly love to have liberated. That was one aspect of it.

Living in both west and east Beirut, at the time I was there, were the wives of almost all of these hostages. The ones who were married, most of their wives were, in fact, in town. One of them was even an FSN at the embassy and of course we saw her all the time. The other wives I tried to see whenever they wanted to see me. But we got together occasionally on holidays. They were always invited to the Fourth of July reception. I invited all of them for Thanksgiving dinner and I think they all came. This was a very lovely event.

These women ranged. I mean, some of them, what was her name, the family name is Sutherland but I forgot her first name, she was as calm, impressive, reassuring for the other wives as anybody you could possibly want to read about in a situation of so much

stress. She was basically very put together and a source of strength for the others. Some of the others were more concerned, less able to control their feelings. Some of the marital situations were a little bit irregular. Some of the people who tossed up in Beirut during this period of time were adventurers. They were people whose lives had reached a dead end in one way or another in the rest of the world. Some of them had left a wife behind and picked up a girlfriend who might or might not have become a new wife.

They were all quite different, one from the other. They were very interesting. We were obviously there to be as supportive as possible. This night that they were there for Thanksgiving dinner, I recall after a very lovely several hours, I made the tactical mistake of taking them out to the terrace for coffee and we looked over the southern section of the city and some shooting broke out at that stage. Most of them became very upset. They were all very drawn to the fact that their husbands were over there and lord knows what's happening to them. So keeping in touch with them was one of the things that was very much on my mind.

There was lots of pressure back in Washington to obtain the release of these hostages. If at all possible to do an Israeli-inspired Entebbe airfield kind of liberation of the hostages. Not really a terribly likely thing because the kind of intelligence we got about the hostages was very limited. And almost always dated by which I mean we might feel pretty comfortable in November that on October 15, 2 or 3 of the hostages had been held in this or that apartment building with fairly precise coordinates. But the way we found this out almost always implied that they were being moved at the time. There would be a little to-do in the neighborhood and that would come back to us in one form or another. So the intelligence was, in effect, dead. It wasn't very useful because it was all historic.

Nonetheless there were, and again I am conscious of both my duty to history and the fact that most of the stuff is still probably classified, but various agencies of the US government in Washington were more or less committed to all sorts of rescue schemes. Some of them needed to be restrained. I think what you had to keep remembering was that nobody

wanted dead bodies. People wanted living human beings. Therefore, commando tactics while they might appeal, almost always had more downsides than upsides.

Q: There had been in 1979, late 79 or early 80, an abortive attempt to rescue our hostages in Iran. After it was over I talked to a number of the hostages in various times and most of them said, thank God it didn't come off because we wouldn't have all been alive. Was this, our experience there, weighing with you? Understanding that these things, a lot of people get killed.

MCCARTHY: I think that was weighing, perhaps. There were other incidents, it seems to me that the Egyptians, not too long before that, had taken down an aircraft that had been seized by hostages. In the process of liberating the detainees, they killed 50 or 60 of them. Not that we would have done anything as ham-handed as any of that. But, sure, the precedents were not encouraging. But the reality was what was really discouraging.

I think, as the ambassador, my role was to encourage all of these efforts but also to try to make sure that they were grounded in as much reality as possible. I would repeat that nobody at the embassy, and nobody in Washington, on any given day felt that he had a piece of intelligence that was reasonably certain about where hostage A was today. It was much more, as I said, retrospective. They probably were here last week, now they may be there.

Just to tantalize you, this is not to say that this didn't stop a number of government agencies from thinking through what it would take, in terms of vehicles and other kinds of things, to actually effect a hostage liberation at very short notice. Lots of good can-do American minds were put to work so that everything that could possibly be needed, and more than everything, was already in place just waiting to go in Beirut. That caused some logistical problems as well. But I think I'll leave it at that.

The other big hostage development while I was there was, it seems to me this probably occurred in the Spring of 89, was that an American colonel who was working with the

UN in southern Lebanon, Colonel Higgins, was seized one day. This is the man who eventually died in captivity. He was never released and he was seriously mistreated as well. But for several days I was on the phone with Washington and working with every Lebanese I knew who could have any kind of impact at all on the situation. To try to find out what was happening, to negotiate a release. But we weren't any more fortunate on that one than we were on any of the others.

I had already left Lebanon physically by the time any of these hostages were released. It began to happen, it seems to me, in the Spring of 1990. I remember one of the first releases I heard about I was in a taxi in Paris where I was, in fact, talking with the French government and a number of Lebanese who were living in Paris about the situation. I was still ambassador to Lebanon but I was living in Washington at the time. But I was on this trip going around talking to people. In the taxi they announced that one of the first of the hostages, the fellow who had cancer, was let out a little early. He had been released earlier that day.

I guess I would have to say that one of my greatest frustrations was that despite my efforts, and those of everybody else, I didn't have any impact on the hostage situation, that I'm aware of, during the time that I was there.

The other element that was sort of nasty and occurred all the time was that various Lebanese would come to me, and would come to other ambassadors whose citizens were being held hostage, offering to sell you intelligence. And in some cases to sell you living hostages. In one case, I remember a man came and offered me the remains of somebody who had died some years earlier for several million dollars.

We didn't dismiss this kind of thing out of hand either. But experience had taught us that it was fairly rare when any of these people really knew anything. These were the sleazeballs and they were just trying to make a profit on a very distressing situation. But, nonetheless, I would try to check them out when something like that came up.

The British ambassador, while I was there, most of the time I was there, was a man named Allen Ramsey, an old Middle East hand. A very feeling individual. I would often go to Allen and say I've had this kind of information from somebody, what do you think. He would say that guy came to see me last week, I've checked him out, he's not worth anything.

A week didn't go when something didn't occur. Either with one of the wives, with something back in Washington. Sometimes there were these taped releases of videotapes by the hostage holders for one reason or another. Threatening to execute somebody unless something or other was done. That would always send up an alert for a long period of time. There were specific Lebanese. Nabih Berri, the man who ran Amal. When I saw him it was often, in fact, under instructions when there were other problems or possibilities with the hostages. The hostages were a constant presence during my time in Beirut. And yet, I sometimes felt that they could be on the moon, and I on Mars, for all the really direct kind of impact I had on the situation.

Q: What was the avowed aim of this hostage taking?

MCCARTHY: Avowed aim, I'm not sure that there really was one. The people who were holding the hostages were, in fact, Shi'a radicals. The Shi'a felt that they had gotten the short stick throughout Lebanon's independent period. These people were also anti-Israel, were angry that our policy was so supportive of Israel. They were trying to get us to somehow revise our policies based on hostage taking. It's a little unclear.

Several of these hostages, I didn't talk at all about their personalities. Some of them were not exactly soldiers of fortune but were people who to some degree were making a stab at a new life after having flunked out of the old one. But by all means they weren't all like that. Several of them were journalists, very responsible journalists. Some of them were these, Mr. Sutherland, were these people who had devoted their lives, in one way or another, to Lebanese and Arab education. They were people from either American University or Beirut College. The American institutions that had been around in Beirut for over a century doing

a remarkable job of education. Not just for Lebanese but for Arab leaders throughout the region.

I think that some of the Shi'a, these were disinherited people in a sense. Not all the Shi'a but the ones who had become the most radical. I think that striking out at some of these very productive members of the American community was their way of lashing out at the whole establishment as well. It was hard to tell what the motivations were.

I must say that one of the things that I would forget about once in a while, and I think Washington hardly focused on, was that the American hostages were, as I said, 6, 8, or 10 people. The number of Europeans was another 6, 8, or 10 people but this to the Lebanese was a drop in the bucket compared to the thousands of Lebanese who had been taken hostage in one or another battle or confrontation either in Beirut or somewhere else. So that some Lebanese, who I must say were not unfeeling people, would once in awhile express some frustration toward me, saying, “You and your hostages, look at these hundreds of people, look at these thousands of people who have disappeared; who are being held hostage who maybe are alive, maybe aren't alive. All Lebanese citizens and we don't know anything about them.” By and large, I think the war ended without people finding out very much about most of these people. Maybe a few of them are alive. Most of them had been held for ransom and I think eventually when it became inconvenient to hold them any longer, had been done away with.

A number of Lebanese saw the fact that we were so focused on the hostage situation as a kind of denigration of the overall problem of the average Lebanese man-of-the-street during the civil war.

Q: Were there any repercussions as what became known as the Iran Contra affair? John Kelly had some problems with this. We're talking about Oliver North in the White House, working deals to try and get the hostages.

MCCARTHY: It was all pretty much, if not exactly history it was certainly public knowledge by the time I got there. John, we've said this before, John is an old friend and if I needed to learn the lesson, I learned from John's own experience that if I was to do anything in Beirut it was to come through cleared instructions from the State Department. I wasn't going to go off following advice from anybody else no matter how influential he or she may have sounded. Not bad advice, by the way, in terms of dealing with the Lebanese. I had in mind your next subject, the thing about Lebanese Americans back home.

Q: One last question on the thing, the longest hostage on the American side was Terry Anderson who was an AP correspondent. His sister gained certain fame, or even notoriety, Peggy Say. I have a long interview with Mike Mahoney who had to deal with her at this end, I think you'd find interesting. What about the hostage group? It became a political cause too, a little bit like the Missing In Action people.

MCCARTHY: While I was in Beirut I was, in fact, screened and shielded from direct contact with those particular people because they were here and I was there. I do know Mike Mahoney. I don't think I met any of the hostage families, other than the wives living in Beirut, before I left Beirut in September of 89. But once I was back I did sit in on several meetings with Peggy Say and some of the other people. I must say, I have a sister whose name is Peggy to whom I'm very close. When I met Peggy Say I used to think to myself, I wonder if my sister would stand up for me quite as firmly and over such a long period of time as this woman has done.

I was really very impressed with the hostage families. I know they caused a lot of problems for us in terms of the department. But they were frustrated people who were very concerned about their loved ones. I had no problem keeping that in perspective. By and large, I think they served a useful purpose in keeping us all focused on their aspect of the issue.

The hostage relatives I had frequent contact with were the wives who were in Beirut. Maybe I'm deluding myself but I had a sense that in our relationships, we always were in it together. They were always coming to see me to find out what I had to tell them that they didn't know. And to tell me what they had heard recently that might be of interest. We had no real animosity, as far as I know. In fact, much more a feeling of warmth and friendship. So my dealings with the hostage families were quite positive.

Q: Should we talk then a bit about the Lebanese American which is a rather significant community in the United States. How did that affect you? #migr# communities are always, can be a problem for foreign policy anyway, usually. Going back to the Irish.

MCCARTHY: This was probably the first assignment I had ever had where the hyphenated Americans from that particular country were so influential. The Lebanese American community is extremely significant. While I was in Beirut, some of their number included John Sununu who was on President Bush's White House staff. George Mitchell, the Senate majority leader at the time, has a Lebanese mother. There were 2 very active members of congress, Mary Rose Oakar and Nick Rayhall. And then they were scattered around the government, lots of other people as well. So they were, first of all, elected and appointed officials who were of Lebanese extraction who were very interested in the issue. Senator Bob Dole, not a Lebanese American, had a lot of close Lebanese friends and he used to like a briefing every once in awhile of what was going on.

Yes, I was aware of their influence. They were not terribly united and they knew this themselves. The classic lobbyists you would think of in terms of foreign policy are maybe the Israelis and the Greeks because they are very interested in one aspect of American foreign policy. Whatever their divisions may be among themselves, at least in this period they have learned the lesson of speaking with one voice when they approach the American administration. So they would come and they would tell you what they wanted and they would explain why they wanted that. And, because they were so influential, the

Greek American lobby and the Jewish American lobby were, in fact, very significant in terms of policy formulation.

The Lebanese had clearly not learned that lesson even though they told themselves they needed to do this. I can recall discussions with John Sununu who worked very hard at one stage, I've forgotten exactly when this was, probably sometime in 89, to get them in to see the president. The meeting was eventually put on the President's calendar. Five or six Lebanese Americans went in. One or two Lebanese sort of slipped into the group with them, people who weren't American but happened to be in town which may have been all right. Maybe it wasn't all right, I think it sort of violated the ground rules on which the appointment had been setup. But that wasn't the real problem.

What John had told them all to do was to get their act together, to have a spokesman and a common voice. I can remember him saying — one guy would open up his mouth and the other guy would start tearing him to pieces. This was, Mitchell told me the same thing, this was the classic Lebanese problem. They could no more tell you what they wanted from you than the man in the moon. And yet, they would begin, and they did this with me as well as with the president or anybody else that they came to see, they would grab your hand and say: Mr. Ambassador, Mr. President, Mr. Senator, Mr. and Mrs. whatever you were, you must save Lebanon. And then you'd say okay, but first of all I think it's the Lebanese who have to do it. And secondly, what would you want me to do. And, as I said, if there was more than 1 person, you would get 6 different policy prescriptions.

It's funny, but it was in a sense also a tragic waste of an opportunity because it gave the administration the option not, ultimately, to listen to these people. Because you couldn't. Because their advice, basically one piece of advice canceled out another. It was a very ineffectual lobby considering how significant they could have been.

They didn't confine themselves to lobbying in Washington either. Some of them were, in fact, citizens of both countries or residents of both countries, they traveled back and

forth quite frequently. When they were in Beirut, they would ask to come and see me. I would usually say yes. Or they would invite me out to lunch and I'd go. They, too, had something to say but this thing about making sure that your instructions were authorized. There was one couple, they were prominent enough I suppose in terms of republican politics. They would come and they would say that George Bush wants you to do this; the president wants you to do this; John Sununu told me to tell you this. I would think, yes, sure, probably, maybe, maybe not.

There were a lot of Lebanese Americans. They were very interested in getting your ear if you had anything at all to do with Lebanese policy in the US government. And, by and large, they had very little effect. It was too bad because they were smart people.

Maybe just to finish up that thought, the other thing. Maybe each ambassador thinks he was there at the climatic moment but I think I was in Lebanon at the climactic moment. It was when the Maronites, the Christians, finally figured out that nobody, including the United States, was going to save them — Michel Aoun was out there saving them but in the process demolishing, bringing Beirut down around his ears — I think they concluded that they had to make a negotiated deal, that they had to come to a compromise. It was a time of great frustration for the Lebanese including those living in the States, and those of Lebanese extraction.

What I wanted to say was that the embassy, the Lebanese embassy in Washington, which had managed to, if not sit on the fence but at least maintain some sort of a general representation of all Lebanese for most of the civil war, at this period of time a very clever ambassador, a man named Abdullah Bou Habiz, who had been a good fence-sitter for a long period of time, finally (his version), Michel Aoun had told him that unless he sided with him and stopped sending copies of his messages and corresponding with the Muslim prime minister, Salim al-Hoss, he would confiscate his property and make life very unpleasant for his family. All of whom lived in east Beirut. Abdullah became pretty much

tied in with the Aoun camp. The embassy, which had been a kind of neutral territory in Washington, was deserted by everybody who was not a pro-Aoun supporter.

I think the Lebanese official representation in Washington which had been, if not normal, at least it had reasonably normal transactions with both the American government and the American body politic, at this period of time was seen as totally partisan as well. The institutions were falling apart. They were being divided. People, Lebanese Americans, were quite frantic about what was going on.

And what was going on was terrible. There was active shelling night after night. People were being killed. The city was being destroyed even more thoroughly than the damage at times in the past.

Q: What about your dealings with the Syrians? Could you explain what the Syrian situation was in Lebanon when you were there and how you dealt with it?

MCCARTHY: You asked about names. The American ambassador for all of the time that I was in Beirut, we went out at the same time and were very close, closely in touch all the while he was there and I was in Beirut, was Ed Djerejian. I don't know if you've interviewed Ed yet. He's in Texas. He would have very many interesting things to say on this and a number of other things as well.

The Syrians were a military presence in Beirut. They had been invited in an earlier period by a Christian prime minister. We talked about this once in our last discussion. It seems to me the Lebanese have made the same mistake over and over again. It's a small country. It is surrounded by stronger countries. Each of which would have reason to want some sort of a role to play in the country. That being said, no Lebanese politician has ever shown the slightest discipline, or very few of them has ever shown the slightest discipline, in not turning to foreign support when he's run into some domestic difficulty. So the Syrians were

there but they had been invited in. They didn't tire of telling us that when we would suggest that they might want to consider stepping out.

At any rate, the Syrians were in the city, in west Beirut, throughout the northern part of the country. I saw them when I traveled in the north. They were in the Bekaa Valley as a military presence. They had allies particularly among the Sunni Muslims. But there were Christians, particularly Orthodox Christians, who had also entertained close relations with Syria.

We, the US government, saw that to be successful, any solution to the Lebanese problem needed to be agreed to by Syria as well as the various Lebanese factions. We talked about Dick Murphy's effort to elect a president in the Spring and Summer of 1988 just before I went there. Syria was directly involved in this effort. Maybe the genius behind the Taif Agreement, the agreement that did bring peace to Lebanon, was that sure while the Syrians went along with it, they did so grudgingly and only because they couldn't afford to antagonize the supporters of this agreement, in particular the Saudis.

This was not an agreement to Syria's strong liking because they, in fact, had not dictated it. Here I am betraying my own strong support for this agreement as probably about as even-handed a thing as you could have got adopted at the time. Whereas a number of Lebanese, particulary the Maronite Christians, see Taif as a Syrian dominated sell-out of Lebanese interests. Sort of the permanent vassalage of Lebanon to Syria. I don't see it that way at all. I think it's a realistic acceptance of the fact that its in Lebanon's interest to have close relations with both of its immediate neighbors.

Anyway, Syria was there. Lebanese politicians spoke of the Syrian card, something that they would play or not play. They spoke about the Israeli card, the Iraqi card, the American card in almost a farcical depiction of the way I think diplomacy works, and influence works. They seem to think that these cards were there for them to play around with at will. That they could be picked up and discarded whenever the Lebanese principal felt like it. Of

course, as I said, once you introduce a foreign element into your domestic political scene you have hell to pay before you are able to get it out again.

At any rate, the Syrians were there. I've seen this since I left Lebanon and since the Taif Agreement has come into effect. Anytime there was a particular crisis in Lebanon any number of major players, Hussein Huseini who was the speaker of the National Assembly and a Shi'a politician, Salim al-Hoss the Sunni prime minister, most of the Orthodox politicians while I was there, not so many Maronites although some of them did go during the period I was there, when there was a domestic problem they would get in their car and drive off to Damascus to talk to Hafez Al Assad if they had enough pull to get in to see him. Or to people like Khaddam, one of his ministers who was in-charge of his Lebanese policy.

So, there would be a tempest in Beirut and everybody would drive over to Damascus. Either to tell his version of the events or to see if he could get some sort of a laying on of hands from somebody in the Syrian hierarchy. So Syria was present all of the time.

Q: Did you get any feeling from your perspective in Beirut of the effects of 89, 90 in the Soviet Union as it was beginning to crumble and it was a prime supporter of Syria, did that have any repercussions. Did you feel at that time that that might have made Syria take a harder look at where it stood?

MCCARTHY: The answer is yes. The Soviet ambassador when I was in Beirut, his name is Vasili Kolotosha, I was allowed to see him. He was in west Beirut so it was difficult to have frequent meetings but we often saw each other. This was a classic Soviet middle-eastern diplomat I suppose, in that he'd spent almost all of his professional career in the region. He went out there first as a student of Arabic, stayed 3 or 4 years. Then came back and worked in Beirut as the interpreter for their ambassador. His Arabic was wonderful. He'd served in Syria, he's also served in Iraq. The last time I saw him he came to my house in Tunis. We had a lovely lunch with the local Russian ambassador. The

name of the country had changed in the meantime. Vasili was going off to become their ambassador in Morocco.

To answer your question, it was he, I suppose. You and I have already had a long discussion about my time in Pakistan and how during the years I was there I went personally, and I think the US government, went from thinking of Gorbachev's perestroika and all sorts of internal changes as maybe just a charade, a window dressing, to thinking of it as something significant. Then I arrived in Beirut, after I had come to know Vasili well enough, say I had been there several months. We were sitting together one day at lunch and I asked him what he thought about the local situation. He said, “John, I hardly spend any time thinking about the local situation. It hasn't changed in years. The players are the same, the problems are the same, the solutions are there if any of them want to make a deal. I spend all of my time waiting for the pouch to come from Moscow so that I can read the latest from Pravda and Izvestia and everything else that's going on. It's incredible.”

I think he was putting in very nice words the fact that, at least that particular embassy, also there were lots of problems. I'm sorry, I'm confusing, that was Tunis where, in fact, there were lots of problems. They weren't getting paid from month to month. That was too early for the payroll system to have broken down in Beirut, that came later in Tunis.

Vasili was just fascinated about what was going on back home. He couldn't believe it. He couldn't get enough of it. And, really, was not all of that interested in what was going on in the local scene.

With respect to Syria and what it meant to their own policy, we were beginning to think about things like that. Ed Djerejian, who was in Damascus, was writing some cables about it. But I think it was still pretty early days. I don't think the Soviets had yet stopped writing checks to the Syrians or stopped turning over military equipment. You could see it might be coming but it hadn't actually arrived at that stage of the game.

I mean, what did the Syrians want. If you're interested in my opinion. I think that the Lebanese had a very difficult game to play, a very difficult role to hold because a number of Syrians, and I think Assad is one of them, really don't believe in Lebanese independence. He has now signed off on sufficient Taif related documents to make his official position at least clear that Lebanon is a separate nation state. But he still speaks about the same people being divided between two different states. He still sees everybody as brothers. At his insistence, or the insistence of the Syrian government, these are the only two countries in the Arab world that don't exchange ambassadors because why would you need to have ambassadors, we're not that foreign, one to the other.

I think Syria would love to find a way to gobble up Lebanon and recognizing that that's not in the cards right now in the Arab world, or anywhere else for that matter. Assad has settled for having his pernicious influence, or as pervasive an influence as possible over everything to do with the local scene in Lebanon. But, that being said, too many Lebanese politicians succumb to that particular kind of psychology and make his job easy for him. To me the Lebanese are largely at fault for their own situation.

Q: You were there from 88 to 90.

MCCARTHY: I was on the ground till 89 and I had the job until 90. It was 2 years.

Q: What was your perspective of the Israeli role in Lebanon at that time, and our relations with Israel? Your feelings about our embassy in Israel and our whole policy there.

MCCARTHY: First of all, this wasn't the beginning. Again, I got there very late in the day. There was a lot of past history between the two countries, particularly between the Lebanese Christians, the Maronites, and the Israeli government. The brother of the president who left office as I arrived, Bashir Gemayel, who also had been elected president, was blown up before he assumed office, had been very close to Israel. Various of the Lebanese militias, in particular the Lebanese forces, were very close to Israel. So

the Israelis had picked one principal player in Lebanese politics but they had influences in other places as well.

So, politically they were very active. All the while I was there, most noon times there would be a plane that would break the sound barrier over Beirut at exactly noontime. These were Israeli jets which were overflying the capital, mostly just to remind the Lebanese that they were there and that they were strong and would punish any use of Lebanese territory to attack Israel.

More to the point, I can recall one day I had an American Army colonel in town. We had just transferred the helicopter command, the people who flew us back and forth to Larnaca had been air force. An army unit had been given that responsibility. He'd come to Beirut. We were having a very nice lunch. The head of the Lebanese air force and his aide had come to lunch as well. We were sitting there quietly and there was an occasional boom in the distance. It seems to me that the air force general said, “Oh, that happens everyday. It's the Israelis breaking the sound barrier.”

Then it went on. There was more noise. He looked nervously at his aide who excused himself and asked if he could use the phone. When he came back, he announced that the Israelis were bombing some supposed terrorist operations just south of the city, immediately south of the city. It later turned out that they were so close that they had broken the windows in the weekend home of the prime minister which was just a mile or two away from this place. So, the Israelis bombed sites in Lebanon fairly frequently while I was there.

In southern Lebanon, all the while I was there, there was one Christian militia, the southern Lebanese army, which was Israeli financed, was policing a zone very close to the border with Israel. That was one of the elements in the incredibly complicated Lebanese mosaic. The Israelis were very active.

The other way that I become personally involved, once or twice, was that there is an Israeli pilot, whose name was Ron Arad, who was taken alive during one of the wars, it must have been in 83, he was taken prisoner. He'd been sighted once or twice in the hands of various Shi'a leaders. The Israelis would very much like to know what has happened to him and also there were one or two others who were probably dead but who were, nonetheless, taken prisoner. I would get instructions to try and find out from people in the Shi'a community, if I could, any recent information on Ron Arad or any of the other Israeli prisoners. So they were like we, interested in their hostages. I played a role there.

You asked what kind of relations I had with the American embassy in Tel Aviv. They were less significant than I might have liked. I think I can understand what was going on. It seems to me that Bill Brown was ambassador most of the time that I was there. We spoke a couple of times at meetings, and on the phone once or twice. We exchanged cables a few times. I guess what I was looking for was more interest in Lebanese-Israeli relations from his point of view, or from the embassy's point of view. I think what I was getting was a rather realistic sense that this was number 10 or 12 on their list of things to do. They were much more involved. Israeli American relations are much bigger, much more complicated, than Lebanon was. I don't want to use the word “side-show” but I think it was a kind of a side-show. It was just a footnote to bigger issues, of Israeli relations with Egypt, with the rest of the Arab world, with us, with the peace process.

The peace process was a particular frustration because, again, this was Baker. Baker was secretary of state while I was there. He was trying to revive a more active peace process. There was the beginning of cable exchanges among the various embassies concerned in Washington. I got an occasional glimpse of what was going on. I can recall asking Washington if I could be included as a regular addressee. The answer I got back, was no, not now. There's nothing you could do. There's nothing the Lebanese could do. I felt it was dismissive. I thought I could at least have read the cables and maybe make a pertinent comment or two. But, again, in retrospect I suppose, it was the appropriate way for

Washington to assess the situation. Because, as far as I can tell, Lebanese participation in the peace process has been largely risible. They do nothing until the Syrians tell them that they can. Which means they haven't done very much.

Q: Did the Israelis by their actions, the bombings or incursions or something, during the time that you were there, did they destabilize promising developments or not? Did you feel that it made much difference?

MCCARTHY: No, they didn't destabilize anything. Again, how did we get in this mess. If you go back to, when is it, there was the Cairo Declaration. First of all, Lebanon had been a major location of Palestinian refugees from the beginning. When the PLO left Jordan in 1970 they were taken into Lebanon, and then this Cairo Declaration. Maybe it's in the early '70s. Basically, by it the Lebanese agreed that the Palestinians could use their territory to advance their objectives, namely the destruction of the state of Israel.

So, I think from the Israeli point of view the Lebanese were fiddling around in some very dangerous business. Were allowing their territory to be used in a very hostile way and needed to pay the consequences. While individual Israeli attacks were certainly regrettable, you didn't get the sense that any Lebanese government had taken an irrevocable decision to jettison the Cairo Agreement. And say, “Okay, from now on we won't allow our territory to be used against Israel.”

There's this peculiar ability the Lebanese have not to see that the actions they take and the decisions they make have effects. That they are responsible for those effects. Time after time you would sit down with them and try to trace things back to their origins. They only wanted to deal with the now. They didn't want to know.

Q: Like talking to the Greeks on Cyprus. They talk about the Turks coming in but they don't talk about why the Turks came in. You get a blank look.

How did you see the role of Iran in these 2 years that you were there?

MCCARTHY: It was active, it was financial. It seems to me, and I don't recall exactly where I got this figure from, the generally accepted minimum monthly allowances that the Iranians were paying out to various Lebanese factions totaled $5 million dollars. So, they were in for at least $60 million bucks a year. Basically your running-around money. Most of this was going to Shi'a in both the Bekaa Valley and the south. Shi'a radical groups, Hezbollah, that we alluded to in our last discussion.

The Iranian embassy, by everybody's account, was basically a den of spies. It was very pernicious. What they were doing, I suppose, was stirring up trouble for as many of their Arab enemies as possible, and Israel as well. Just keeping a hand in, in general. It was a very active, largely financial, presence. I didn't see them when I was there but that shouldn't surprise anybody anyway.

Q: I'm trying to capture the times of Saddam Hussein, while you were there, I mean Iraq. How did we look upon Iraq at that time?

MCCARTHY: While I was on the ground in Lebanon, Saddam Hussein was the head of the Iraqi government. The way Iraq had introduced itself into the Lebanese situation, we mentioned a little bit of this the last time, was that this Christian prime minister, Michel Aoun, looking around for somebody to get him some running around money at the beginning of his effort to establish his government, had turned to Iraq. The Iraqi embassy had been forthcoming. It seems to me that Aoun went to Iraq a couple of times and was very happy at the reception he got.

I can recall warning him that I thought he was making a terrible mistake. That sure, I agreed with him with regard to his objective of getting the Syrians out of Lebanon sooner or later, but I didn't think getting the Iraqis in was either going to forward that objective, and in the long run, it was going to be just as difficult to get the Iraqis out if they ever got in.

The Lebanese Maronites, at least the faction around Aoun, were getting in over their head with the Iraqi government. There were supplies of Iraqi arms coming into the country. So that's how I saw Saddam Hussein, sort of wearing my Lebanese hat while I was on the ground.

I recall that in the spring of 1990, there was a Chiefs of Mission meeting for the near eastern bureau in Bonn, of all places. I think it had been decided that nowhere in the Middle East was secure enough to hold a meeting of that size, of all the ambassadors. We did it in Bonn, we did it in Bad Godesberg actually. We stayed there and we had the meetings at the embassy in Bonn. We took a ferry back and forth each day for the meetings.

There was a working group on Iraq, there were a lot of discussions. Remember, this is April of 1990 so it was just a few months before the Iraqi invasion of Kuwait. I can recall that there was very good discussion on this. I think I was on the working committee because of the Lebanese angle, and then there was a sort of plenary discussion of all the ambassadors and people from Washington including the assistant secretary, John Kelly at that stage.

The sense was that we had been trying a softer policy toward Iraq. We'd been trying to see whether in the aftermath of the end of the Iraq-Iran war which was only, their truce was in the summer of August 88, I think. You have to keep all of these dates in mind and I find it harder and harder to do that. But I think it was post the Iran-Iraq cease-fire in the summer of 88 that we decided that maybe we should try a softer policy, a different policy toward Iraq. To see whether we could, in fact, woo him into a more moderate camp. By the spring of April 1990, the people in charge of that, including the ambassador April Glaspie, said, “This isn't working.” There was no sign that this guy is getting softer. And there are disturbing signs, in fact, that he may be about to enter a much more bellicose stage.

I think the conclusion of this Chiefs of Mission meeting was that the policy had to be looked at again because although it had made sense when we adopted it in the immediate aftermath of the Iraq-Iran cease-fire, now, a year later, it wasn't getting anywhere. And, maybe we had to take a look at what we were doing vis-#-vis Iraq.

I guess what I'm doing is trying to defend the people who were in charge of the policy against some of the criticisms I read in the papers immediately thereafter. It was not a dumb policy. It was not arrived at by people who didn't have their heads screwed on straight. Not very long after it had been put in place, the people running it were looking at each other and saying, “This isn't working, we're going to have to take another look at what we're doing.”

I think the problem with Saddam Hussein, in microcosm, is what you have with all dictators like that who have total control of their regime. It's our responsibility as American diplomats to try to put together reasonable policies that work with every other country in the world. Some countries, because of the leadership, you just can't find that policy. I think that in April of 1990, we were struggling. We saw that what we were doing wasn't useful but we didn't yet see just how off the reservation the guy was about to get. Nobody had any good alternatives, anyway.

What would have been a better policy before the invasion of Kuwait vis-#-vis Saddam Hussein. And what kind of support would there have been say for total sanctions or something like that either here or with countries in Europe.

Q: At this Chiefs of Missions meeting in 1990, who came from Washington?

MCCARTHY: John Kelly for sure. I'm trying to remember. Bob Kimmitt might have been there. He would have been the Under Secretary for Political Affairs in those days. He might have been there. I don't remember anybody else at a very prominent level.

Q: The reason I ask this is, the Baker administration secretary had the reputation of being a rather close circle. There were a few people around Secretary Baker. There was a real gap between this. At that point they were terribly focused on what was happening in the Soviet Union for very obvious reasons. Part of the problem in dealing within a few months with Saddam Hussein was that we really, things were somewhat on hold because there wasn't the focus of the secretary of state. Did you get any feel for that, looking in retrospect, or not?

MCCARTHY: Yes. I think that is a valid criticism. The Baker bunch were very close-knit, they were very few in number, and they could only deal with one or two issues at a time. I guess maybe one issue full time and maybe another issue half-time. I think part of the problem with Iraq policy was that although say the senior bureaucrats, at the bureaucratic level, were probably ready after this Chiefs of Mission meeting to change the policy. I don't think it was possible to get the attention of the secretary's office in the months that followed. I think that's a fair criticism across the board.

I think that was a real drawback, as I understood it as a practicing diplomat in the years when Jim Baker and I worked for the same department of the US government, it was very rare when you could draw him on the issues I was working on, which were not the ones of his main interest. To shift this slightly, I did meet him. He came to Tunis at one stage when he was launching the Middle East peace process. That was okay. But that had, I guess, become his major issue at that time. The rest of the issues, either in the Middle East or anywhere else, that were of less than cosmic importance, his style of operating didn't allow him to get involved in.

I think it's a very serious criticism of that particular way of operating.

Q: You spent how much time being the non-resident ambassador.

MCCARTHY: A full year.

Q: Did this cause problems? I mean, how did you operate? Where were you living?

MCCARTHY: I was living at home in Washington and I was operating out of the Lebanese desk. My DCM, whose name is Chuck Brayshaw, was living in Nicosia and running a little rump embassy operation there, including being in contact, as best he could, with some of the FSNs who were still working at the embassy back in Beirut. So, we kept a non-American presence there. The embassy was not really open but the FSNs were doing some business. Chuck and one or two other people were in Cyprus, and I was working off the Desk.

I did travel a couple of times to the region. In fact, maybe the single most dramatic event in my life was my presentation of credentials to the Lebanese president. I told you that I stayed in Beirut for a whole year without presenting my credentials. We didn't talk about this the last time.

Q: You mentioned it. No, I don't think we'd come to this.

MCCARTHY: We left in September of 89. In November of 89, under the Taif Agreement the Lebanese parliament finally got together and elected a president. There was a president. His name is Rene Muawad. Rene was one of the two or three closest friends I had when I lived in Beirut. He and his wife lived down the road from me. If the shelling wasn't too intense, they would call me up, 2 or 3 nights a week, and say, “come over for dinner.” So, I was a frequent drop-in at their place. My other closest friends were a man named Ilyas Harawi and his wife. Ilyas is now the president of Lebanon, he took over from Rene.

Anyway, Rene was elected. Right away there was a strong desire in Washington that I present my credentials to Rene Muawad to show that we had been serious. That we still believed in Lebanese reconciliation and the restoration of a functioning democracy there.

We backed the Taif Agreement and the election of Muawad that had followed immediately upon its adoption. And, that we were willing to do business with his government.

So, how do I present my credentials to Rene Muawad. Problem because he's in Beirut and we really don't have a presence there. We don't want, not me personally, but the US government doesn't yet want to send anyone back into Beirut because Michel Aoun is still there. He's basically occupying the part of the city where our plant is. He has declared his opposition to this newly elected president.

So, we can't go back to Beirut but they want me to present my credentials. The way we do it is that Rene and I have a couple of phone conversations. We're very guarded about what we're saying. I can't remember exactly what code we were using but I don't think it would take a genius to break through it. At any rate, what he suggested to me was the he could arrange to be in his country home, which is a mountain village called Ehden, which is in Northern Lebanon, not too far from Tripoli, some weekend. If I could come there, he would be delighted to receive my credentials in his village instead of in the presidential palace. He wasn't living in the presidential palace anyway because Michel Aoun was still occupying the presidential palace. Instead of in a public building in Beirut, I could come for the weekend. And, during the course of a weekend in the country, I could also present my credentials.

So, we did that. What that meant was that I, and the guy who ran my security detail, and my political officer, and 1 or 2 other people, flew to Damascus. I stayed at the house of the ambassador there, Ed Djerejian, on a Saturday, it seems to me, early in the morning we went by motorcade. We used cars from the embassy in Damascus. We went by motorcade from Damascus, sort of around Lebanon, up into the north, took a road down into Tripoli, then went up into the mountains to Ehden.

We got there in the afternoon, or maybe late morning. Rene and his wife, whose name is Nyla who is now a member of the national assembly. I stayed at their house. We had

dinner that night. We had a very nice time, pleasant, sort of talked about what was going to happen next. Rene was a good man. He was one of the Lebanese Maronites who saw the need for compromise. He was rather secretive, played his cards very close to his chest, but was beginning to develop a game plan to bring the country back together again.

The next morning I got up. We had breakfast, just Rene and I. I can remember he sat around in a blue bathrobe, we just chatted for quite a long time. Then his chief of protocol came and said, “Mr. Ambassador, would you please leave the residence now and go down to the hotel, so that we can form up your official party to come and present credentials.”

Indeed I did that. We went down to the hotel. We were putting the cars together. Then I recall the chief of protocol came to me looking very worried and said, “Mr. Ambassador.” I said, “What's the problem?” He said, “Your car has Syrian license plates. Could we take the license plates off the car?” He thought it would be inappropriate for the American ambassador to be photographed for television that night, arriving to present his credentials in a car bearing Syrian license plates. Of course we took the plates off.

So, we drove up. This is a distance of maybe 200 yards from the hotel to the house where I had spent the night. The part that was incredible was that this is a very traditional Lebanese village. There were about 2,000 women who were ululating all along the path the car was driving. When I got there, this was beautiful, there are incredibly beautiful houses in Lebanon, this place, or at least part of it, was probably built around the 17th century or so. There was one long room with a coffered ceiling and Rene was at one end of it. I came in the other. I had my credentials. I don't think I've mentioned that I once had them addressed to Amin Gemayel, then I had them addressed To Whom it May Concern. But this time I had a new set. So I did have 3 sets of credentials for this job. This is the only set I ever presented and they were presented to this man.

After the ceremony we had this great big tremendous lunch. Everybody, all of the local politicians, were around. Well, actually, Rene had invited almost everybody. So there were

people from all of the different professional groupings. It was a very significant day for me. I think it was a very important day for him. Because it was a kind of laying on of legitimacy. The American government definitely recognized this electoral process, as flawed as it might have been. The Lebanese parliament consisted of a lot of septuagenarians at the time. The electoral process was okay but it wasn't any great shakes.

Anyway, after the presentation. I don't think I spent a second night. I think it was time to go back to Damascus. We sat around and Rene got out his pocket agenda. He looked through it and said: Well, I can see you again on this or that date. I said, “I know I'm supposed to see you fairly frequently, I'll need to get approval for this from Washington. Let's figure out a way where I can call you on the phone and I'll say 'one,' or I'll say 'two,' or I'll say 'three,' and we'll both know what it means in terms of when I'm going to come.”

So we basically put together a game plan which would have called for my going to see him rather frequently from then on. Until it was physically possible for us to reestablish our presence in Beirut, we had nonetheless planned on my making repeated trips to meet the president of Lebanon, and see what was up.

So, that's how I left. I went back to Damascus, did spend the night there. We did some reporting. We must have caught a plane the next day, or the day after that. There was some urgency. This was happening in November. There was some urgency because I wanted to get back for Thanksgiving. Everybody wanted to get back for Thanksgiving. We took a plane from Damascus to London, it seems to me, direct. We were sitting in the London airport waiting for our ongoing flight. I got a phone call. I was surprised. You know, a phone call in the VIP lounge in the airport, what's going on.

It was from a woman named Robin Raphel who was then working in London as the Near Eastern person at the embassy. Robin was calling to tell me that Rene Muawad had been killed. That he had been blown up just that morning in Beirut after giving a reception

of some kind for Lebanese, the sign of the resumption of relatively normal — it was Lebanese national day. He was giving a reception. Rene was dead.

So, with his assassination disappeared the plans that I would be going regularly to Beirut. I didn't do anymore of that. In connection with this Chiefs of Mission meeting in the Spring of 90, I remember going to Algeria and Morocco to talk with this Arab league committee. I went to Saudi Arabia as well. That was working on the restoration of peace in Lebanon.

Then in June of 90, I went to Cairo specifically to call on the Lebanese president, now Ilyas Harawi. So, I did have several contacts with the Lebanese government and other foreign governments about Lebanon. I went to Rome once to meet with the Pope's secretary of state, I suppose, the guy who was in charge of Lebanese policy. So, I did a lot of official things wearing the Lebanese hat between September of 89 and, I guess, June of 90 was about the last time I did something specifically of that nature.

The other thing I did back here, very frequently, was to go and speak to Lebanese American groups about our policy. This was with Jim Baker's encouragement. Baker was interested in making sure that the policy was understood as well as possible. I went to Cleveland.

Cleveland was kind of funny. There was a guy there who was a congressman, who invited me. He gave me a silver bowl which said something like: In memory of the historic occasion of my visit to Cleveland. Basically what he did was offer me up as cannon fodder. He was not a Lebanese American but he had a large Lebanese American group of people living in his district. He had first a breakfast meeting with some Lebanese American leaders, then there was a lunch with a slighter broader group, then there was a reception for several hundred people in the evening. Each of the sessions got more raucous. The smaller groups, in fact, were much more aware of both the limitations and the advantages of this guy, Michel Aoun. Much more savvy, much more willing to listen, as well as to give advice. But the bigger group was really wild.

I did similar things in Los Angeles, in Miami. I went to Waterville and a few other places in Maine, to help out Senator Mitchell a little bit. I went to Houston. It seems to me I did about 8 or 10 of these things, specifically talking to Lebanese American groups around the country. Trying to convince them that we hadn't left the embassy willingly or quickly. We hadn't left because we were afraid. We left basically because we wanted to disassociate ourselves from Michel Aoun's policy that we didn't think was going anywhere. That was good. I liked that experience. I think I did some good. I think people appreciated the fact that they were being given a chance both to listen to me and also to tell me what they thought.

Q: This is very important in the business. Too often, particularly groups, I'm not using it as a derogatory term, but hyphenated American groups feel that they're kept at a distance from these fancy types at the state department, and all that. They really appreciate somebody coming and actually talking to them.

What happened then, we've got June of 1990.

MCCARTHY: The decision is always how much to tell. I can remember that I was interested in another ambassadorial assignment that winter, I guess the winter of 89-90, whenever it would be normal to do the asking-around.

I asked what was available. Some jobs were of interest to me, I asked that I be put on the list for them. The usual kind of thing. Not much was happening. Then I got a call one day from the deputy Director General congratulating me on being assigned as the next ambassador to Congo Brazzaville.

I said to this man, whose name is Larry Williamson, “Larry, I never asked to go to the Congo.”

He said, “It's a great job, you should count yourself very fortunate, it's a back-to-back ambassadorial assignment. No one's getting back-to-back ambassadorial assignments this year, it'll never happen again.”

I said, “Look, I want to think about this but my impulse is to say, no.” I went home, I talked to my wife. I said, look, I don't want to go there for a variety of reasons.

Q: It really is a small and a backward a place as you can imagine.

MCCARTHY: And, I had just been separated from my family. There was nowhere in that country where we could have taken our younger daughter who was then 12 or 13, getting on to her high school. So I said to my wife that I was going to go in the next day and turn the assignment down. But that we had to realize that in doing this, this might really be the end. There might not be anymore assignments after that. I did turn the assignment down.

Basically, not because I'm too good for Congo Brazza, but the system in place at the time, at least as far as it had been explained to me, was that before anybody put you on a list for an embassy, you were asked if you wanted to be on that list. This was the first I'd been told about that. I did also sort of just touch a couple of bases. Bob Kimmitt, the Under Secretary for political affairs, I had told him that I hadn't been consulted about the job.

I guess the job I had wanted most at the time was Jordan. It turned out that a good friend of Bob's got Jordan. What he told me was, “Hey, Brazzaville, that's going to be a very important post for the next couple of years because it's going to be doing a lot of Angola negotiations. It'll be the seat of a lot of the stuff we're doing in Angola.” I said, that may be but I'm still not interested.

The other person I touched base with, I'm really very glad I did it, I've never been disappointed in his involvement in anything that's touched on my career, was Larry Eagleburger, who was the deputy secretary at the time. Larry said, “I'm glad you called. I

asked them if you wanted this job and they assured me that you did. That they'd run it by you and you said, fine."

I said, "Larry, that isn't true."

He said, "That doesn't surprise me. I didn't see why you wanted it."

So at any rate, I turned the job down, thinking this might very well be it. The job that I did get, and it was of interest to me, because I had been back a year at this stage. It was sort of time to spend some time with my family. I also was interested in getting another embassy, if possible, the following year. So I opted for a job as diplomat-in-residence rather than moving to another American town, I decided to stay in Washington. To make it easy for the system to give me what I was asking for, I chose to go to Howard and UDC rather than go to Georgetown or George Washington or one of the other more prominent schools where they probably would have said no.

We had already had a couple of diplomats-in-residence at Howard. Adding UDC, maybe that wasn't my idea. I think that was the system's idea. At any rate, I got the assignment and I spent the academic year. So as I said, June of 90 was the last thing I really did wearing my Lebanese hat. By early August, I was at Howard and UDC. I went to a couple more conferences and there still wasn't, I guess my replacement hadn't been confirmed at state. So, I wore the hat a couple of more times but starting in August I basically was at Howard and UDC for an academic year.

I liked it. I thought it was a very interesting experience.

Q: What did you do at Howard and UDC?

MCCARTHY: Well, at Howard I worked largely with a Nigerian American professor whose name is Babalola Kole, who did a couple of things in foreign policy. Babalola had figured out that we were a great asset and we should be exploited. So basically, he invited my

predecessor but he invited me as well, to co-teach a course each semester on the making of American foreign policy. It became pretty clear after the first class or two, that co-chairing this meant that I was going to be doing all the lecturing, all the grading, all of the work. And Babalola was going to be some distant presence doing other things. I thought, that's fine.

It was fun for me, basically, because it gave me the opportunity, a little intimidating at first, to read up on, basically this was a kind of a trade craft course. The first semester, at least, it was on lobbies, government organization, how foreign policy gets made. Things that I sort of knew from the seat of the pants but hadn't really spent very much time thinking about. So, doing a lot of reading and organizing lectures that would, in fact, be of some interest to the students.

This first semester at Howard, it was an undergraduate, it was an upper-level undergraduate course, I got about 18 to 20 young men and women. Some of whom were really very impressive people. Most of whom had no interest, or very little interest, in foreign policy. It was fascinating for me to discover that at least this group of African Americans saw foreign policy as very low on their list of priorities. They were much more interested in domestic issues. Foreign policy, as they saw it, mostly it was South Africa and a few other African related issues and not much more than that. So, that's what I did for the year at Howard.

UDC, I never really taught my own separate class. There wasn't anything appropriate and nothing came off that way. But, I did a lot of guest lecturing. I did some of this for Howard, as well. I did a lot of guest lecturing in other people's classes particularly in the Business School and the School of Liberal Arts. There I was housed right next door to the graduate school Dean. A man named John Robinson. John was very ambitious, probably more ambitious than UDC's resources allowed him to be.

He and I spent a lot of time that year going around to Georgetown, GW and AU and SAIS talking with the people who ran the foreign policy programs at those schools. With the idea that John would be launching at UDC some sort of foreign policy specialty which might be co-sponsored with one of these other schools. I say it was overly ambitious because a year after this, the whole UDC graduate school was abolished, and John was out of a job, as a financial resource cutback. Anyway, that was fun in itself, just meeting all these different people.

It was a very low-key year. Certainly after what I had been doing in Lebanon, it was quiet.

Q: Were you keeping an eye on a very obvious development. The low-key year for you is the year of Iraq and the Kuwait war, and the whole thing in the Gulf. What sort of soundings were you getting from NEA, just to get a feel for how they felt about how things developed there.

MCCARTHY: You're right, I had forgotten that I hadn't been at Howard more than a week or two, I guess, when NEA asked me if I would come in and work on the Kuwaiti task force once in awhile. So, for several weeks, it wasn't particularly onerous, in fact it was very interesting. I would go in and I would chair the task force for whatever period of time I was there for. There was a permanent chairman whose name was Ryan Crocker, the ambassador who was going to replace me in Lebanon, when it was time to go back to Lebanon. That time hadn't come yet.

I was working very closely, I remember, on the phone talking with Nat Howell and his deputy, whose name escapes me at the moment. Who were actually in the embassy in Kuwait. Both getting an update from them and trying to find out how well they were doing in terms of food supply and everything else. That was this incredibly hot summer when they were living on canned tuna fish and no air-conditioning in a building when the temperature was above 100 everyday. So I was very much involved with the Iraqi issue,

off and on, through the Fall. After that I think the task force kind of simmered down a little bit and they didn't call me anymore. So I tuned out of that one, to some degree.

The other thing, the very interesting thing for me, I was a diplomat-in-residence at Howard the same year that Jesse Jackson was appointed to something called politician-in-residence. I had never met Jackson before. The first time we were really thrust together, I think it had been scheduled beforehand but it turned out that a day or two after we began the bombing campaign, Jesse Jackson, I and an Arab American from some local group appeared on a panel to discuss the whole Iraq-Kuwait situation before a live audience at Howard University. This place was filled to capacity.

We had a good debate. I was, basically, supporting across the board the US government's policy and explaining that we'd only come to military action when all the diplomatic avenues that we had been pursuing had failed. Jesse being sort of in the middle, and the Arab being much more extreme. It was interesting because the way things happened these days, I started getting phone calls from people I knew both in Washington and all around the country within the next few days. Because it turned out that C-Span had picked up this debate and broadcast it 10 or 12 times.

As a result, privately, Jesse Jackson and I became, during the course of that year anyway, friends. We chatted several times. We went to a couple of receptions together. He then appeared a couple of times in Tunis while I was there. While we didn't see each other, we spoke on the phone the times he was there. He was going in to see Qadhafi a couple of times.

Anyway, what I liked about the student reaction. It was fascinating and it was mostly at Howard. Around this time, the Howard faculty, particularly in the political science department, the Chair and a few other people, were people who had been formed in the late '60s, early '70s, anti-Vietnam kind of generation. They were, again this is in advance of the beginning of hostilities, they were violently opposed to the idea that American

military would be used to repel the invasion. There was a fairly quick shorthand, American military meant black men to a lot of black people because the military does have a higher proportion of blacks than the general population.

In November and December, as we were beginning to move toward the use of force if necessary, these faculty and a small number of students were very active. Holding rallies, talking about sit-ins, trying to bring the school to a halt, basically, over this issue. What was fascinating was that the main body of the students, I got a fair amount of insight into this because I was teaching this course twice a week throughout the fall, most of the students said, “We don't give a damn about this. This is no reason to bring the school to a stop. Our parents are paying so many thousands of dollars a year to send us here. Get lost.”

This was sort of what played itself out, in November, December and early January. By the time of the actual bombing campaign, the one that began in January, and later the fighting, the students, the parents I met were good patriotic Americans who were rather close to the mainstream support of government policy. These largely faculty members and a small number of students were incapable of really making much of a dent in this general appreciation for the necessity to go back in and repel this aggression.

It was interesting.

Q: Very interesting. In a way it was the Vietnam generation trying to replay its days of glory.

MCCARTHY: That's the way it seemed to me.

Q: It was a different world. One thing we had was a professional army, that made a big difference.

MCCARTHY: Well, I think the situation was different. It didn't work. There was no way to stir up very much anti-government feeling at Howard University. UDC, it never really came

to that. There were a couple of demonstrations there but UDC is a much more day-hop kind of school. People take courses and they have jobs.

Q: I was here interviewing at Georgetown University. I remember here, they were attempts to turn this into a Vietnam type thing and it didn't seem to go anywhere. A generation, a group just couldn't replay it.

MCCARTHY: The other thing of course, that's all true. Casualties in that war were very low and it was over in a couple of months. I think the drawback of Vietnam, among other things, was that it went on and on and on.

Q: It went on too long.

Today is the 14th of March.

John, I don't think we've talked about how you got to Tunis.

MCCARTHY: We did spend some time, the last time, discussing my unhappiness after Beirut. The initial year when I was interested in several posts overseas and was offered, without any kind of advance consultation with me, I wasn't offered, I was told that I was going to Congo Brazzaville. I turned down the assignment and had been told by the people in Personnel at the time that this might very well be the last time anybody made me an offer. So, I went off, spent a year as a diplomat-in-residence. Very happily, I found that a very productive experience and I've still kept in touch with a number of the people I met there. It was a very good year.

Anyway, I started that in August. By around Christmas time, I had done the preliminaries. I had found out what jobs were opening up. I made it known to a few people which were the ones I would be interested in but without any of the hard lobbying, telephone calling, and going in to see people, and reminding everybody that I was out there kind of stuff, that I had done so relatively unsuccessfully the year before.

I just got a call one day asking me if I would like to go to Tunisia and I said, “Jesus, of course I do.” Tunisia is a very easy place to live as everybody knows. I also said that I would be more interested to go to Algeria which was opening in the same summer. People listened to that.

But anyway, without any kind of hassle, without very much backing-and-forthing, fairly early on in the assignment cycle I was told that Tunisia was mine. It was quite a contrast to the year before.

Q: I would have thought that this would be one of those places that all of the Arabists would have been fighting over something like this.

MCCARTHY: I'm sure that's true. I think what worked in my favor, perversely since Personnel had told me that having turned down a post, I wasn't going to get another one. I think people, perhaps, like Larry Eagleburger, felt that the system had not been very kind the year before and went out of their way, to some degree, to make sure that that was made up for this year. I do know that the bureau, NEA, John Kelly the assistant secretary, did feel that since I'd done Beirut I deserved something from the bureau. Again, in recompense. It all worked out pretty well.

It turned out to be, not that it was a difficult assignment but it was a much more challenging assignment then I think anybody had anticipated. Because, again, of the Gulf war. Tunisia, which had been a very close friend of the United States since independence, even since before independence because of the role of one of our counsel's during the Second World War.

Q: Hector Doolittle.

MCCARTHY: That's right. A man I'd never heard of before but very much alive in the consciousness of a lot of Tunisians.

Q: There's a Hector Doolittle street.

MCCARTHY: There is a Hector Doolittle street.

Q: I'd never been to Tunisia but in my oral histories, Hector Doolittle comes up.

MCCARTHY: It's right around the corner from the embassy. A very nondescript little street but, nonetheless, it's there.

The Tunisians, for a variety of reasons, didn't go along with the moderate Arab consensus in backing Egypt and Saudi Arabia. Pretty early on to come on board with us in terms of the need to resist the Iraqi takeover of Kuwait.

What they say is that they were opposed to a military solution. They thought that there was always a possibility to negotiate a compromise outcome. I think that's nonsense. I don't think that's really what happened in the event.

There was a new president in Tunisia, relatively new, he'd taken over in 87 from the guy who'd been around from the very beginning, from the Second World War, Habib Bourguiba. Zine Ben Ali is a very solid plodding kind of individual. He's got lots of good points, he's got some bad points as well. I think he saw the Gulf war as a chance to get out of Bourguiba's shadow and to establish his own somewhat more pro-Arab, pro-nationalist foreign policy. He glommed on to this one as a way to make his mark. But he's a smart man. And, within a couple of months, as I say this was happening in I guess the really tense period was after we started the air war.

Q: This would be in...

MCCARTHY: In January, February of 1991. There were some demonstrations in the streets of Tunis. There was some sitting on the fence in the Arab league discussions by the Tunisian delegates. Careers got broken in the process. A couple of people moved

pretty quickly through the foreign ministry and at the Tunisian embassy in Washington at that time. But being smart, the Tunisians figured out pretty quickly that they picked the wrong horse in this race. Right away, by which I mean in a couple of months, they were looking for ways to rebuild the relationship with the US. They guessed wrongly at a poor time.

Their military and economic assistance programs were cut that year out of pique maybe, maybe not, because there wasn't much money to go around anymore. This was the beginning of cutbacks in congress of the foreign assistance program in general. Once Tunisia was off the list, it was very hard to get them back on. So, in a way, this was the death knell of the military and economic assistance program that had delivered over a billion American dollars to Tunisia in the course of three decades.

Q: I want to get when you went there and how long you were there.

MCCARTHY: Sorry, these are all preliminaries.

Through the spring of 1991, when Bob Pelletreau was still the ambassador, we had probably the worst period. There had been other incidents when Israel went in, for instance, and took out a couple of PLO people in the mid-80s. This was certainly one of the worst periods in US-Tunisian relations. We were quite angry with them. I think the rest of the moderate Arab world was also annoyed. When there was a crunch period and we were counting on the moderate states to align with us, this one whom everybody anticipated would do the right thing, just sat around and fiddled for a couple of months.

So, a real falling out period. Bob Pelletreau was due to leave. Bob must have left in May. I didn't get confirmed, nobody got confirmed that summer as early as we had anticipated. I was prepared to go at any stage through the late Spring, early Summer. But, in fact, it turned out that by the time I got confirmed it was July, I'm trying to tie this in with my son's

wedding. But I must have been confirmed around the 4th of July, just before the Senate went on their break.

I went out there in early July of 91 against this backdrop of falling relations or a falling off in relations. By the time I got there, the Tunisians had obviously decided that they were going to cultivate the new American ambassador. That they were going to cozy up to us again. This was one of the ways that the relationship would get back up to an even keel. No problem with that because George Bush who was then the president, our president, had this very nice custom of receiving outgoing ambassadors and their families.

We had a couple of pictures. But then he did take me aside for 10, 15 minutes for a conversation about the country. He said to me, and I was very impressed with the president's knowledge of the intimate details I would say, of one relatively small bilateral relationship. He said, “Look, I know we've had a falling out with the Tunisians. That being said, they've been around for a long time. We've been around for a long time. They had accepted the PLO in Tunis, they've been very helpful with us on Middle East peace issues. I think we have to let bygones be bygones. Your job is to go out there and rebuild the relationship.”

So, I had in a very clear sense, direct marching orders from the president to go back and to rebuild the relationship. He was one of the first here in town. I think maybe the state department was ready for that kind of approach as well. But, it was quite clear that some of the other agencies, particularly DOD, felt that the Tunisians should be kept stewing a little while longer. They hadn't helped us when we needed them so “damn them” kind of. This reverberated around the mid-echelons of various Washington agencies for some time. Q: Very interesting because often you get what amounts to the middle level people, particularly at the National Security Council or something like that, take these things very personally. Particularly if it's a country that's kind of small and not too important. Somehow it's a nice place to show you're macho and throw your weight around. You have a president, of course, who was intimately, I mean, he was the guy who put that alliance.

One can never forget that he really, personally, put that alliance together. Yet, he didn't have an enemies list. Although the Nixon-Kissinger period where I'm sure it would have been: Let them rot.

MCCARTHY: No, I think it was quite clear that he had already moved on to the next stage. That he and Baker had already in mind the idea of making a new stab at getting an overall peace in the Middle East. That Tunisia had been helpful in the past, might very well be helpful again. And that I should go back there and rebuild the relationship.

He also had a couple of quite ribald stories to tell about Habib Bourguiba having met him over the years a number of times. Bourguiba was famous for trying to seduce anything in a skirt, no matter what the occasion. Bush had a couple of stories about that. He'd been to Tunisia a couple of times. Both as vice president and probably also out-of-office, just in a private capacity. He liked the place. He really wished me very well in a very warm and also specific kind of way. I left the Oval Office thinking, this is clear. I know what I'm suppose to do now.

As I said, when I got to Tunis it was quite clear that Ben Ali had taken aside his 3 or 4 top ministers and said, “Seduce this guy if you can, really woo him. Spend a lot of time with him.” Because I got there and there had been a period of fairly cold relations for a few months. Bob Pelletreau had been gone a couple of months.

No sooner was I off the plane and I had been invited to go to a circumcision party for the son of no one in the government but a very close personal friend of the president. While I was there, I was sat at the table with the Minister of the Interior who was a very close friend of the president. He sort of took me under his wing and he became a good friend over the next 3 years. His name is Abdela Kaller. Kaller and a man named Zuwari, who was then, I guess, the Minister of Justice, and foreign minister Ben Yania, and this very close friend of the president's whose name was Kamelel Taif, not the man whose party I

had been to but his brother, and a guy whose name was Maooui, who was the president's political advisor in the palace.

These guys, over the next 4 or 5 months, every several weeks one of them would invite me sometimes alone, sometimes with my wife, to a very small dinner party. Where there would be 6 or 8 or 10 of us and just the 2 of us as outsiders, or just me at a lunch as an outsider, and these very top Tunisians. Not the president. The president of Tunisia is a fairly aloof guy. You didn't get to see him all that often but these guys would make it clear, they would, in fact, tell you what he had mentioned. They would say, “I told the president I was dining with you tonight. He told me to tell you this.” And then, I would sort of tell them what was on my mind. The next time we spoke or saw each other they would say, “I told the president what you told me and this is what he said in exchange.”

It was a fairly intense wooing by these guys who were closest to the president. Since, as I said, my president had told me to go back and rebuild the relationship, within a couple of months I think the Gulf War after effects were very much gone.

In fact, the other thing that happened. I got there, as I said in early-July or mid-July, it seems to me it was on the 4th of August that Jim Baker, the secretary of state, came to Tunis. We had word about a week or so before that that he was going to come. I called up these several friends of mine and said, “The secretary of state is going to come. I haven't presented my credentials yet. It certainly would be personally and professionally and officially, from the US government's point of view, better if the ambassador on the ground had presented his credentials so that I could take a full part in the secretary's visit.”

They didn't normally move people up in terms of presenting credentials. They had a system, it was always Thursday morning, blah blah blah. But they obviously put their heads together and said, “It's probably in our interest to get this thing over with.” So, in fact, I had been on the ground, from the point of view of my fellow ambassadors, an enviously short period of time before I did present my credentials. I think I even got,

somehow the way they did it because of timing, I got to present my credentials just before a very lovely Jordanian poet, who was the new Jordanian ambassador, I must say he never made the slightest fuss about it, therefore I was ahead of him in precedence for the next several years. Again, some of the ambassadors who count on things like this, always pointed out how unfair that was to the poor Jordanian who was a very sweet guy, it obviously rolled right off his back.

Q: Before we get through with the Gulf War. During the time that you were there, but particularly early on, were you getting any, your staff getting any emanations from the Tunisian military or something or others like, "Why the hell weren't we in this." What was the president or his people doing on this other thing?

MCCARTHY: No, Tunisia is far more controlled than that. It's an interesting country, this is as good a place as any to say it, it's a very homogeneous country. It has pretty much always been a one-party state. Ben Ali has made efforts to pump up a couple of opposition parties. Help them with financing and things like that. But it's never quite taken off. And what the president normally does, whether he's Bourguiba or Ben Ali, is to suggest what the policy line on a given issue should be and, lo and behold, pretty much everybody, certainly everybody in the government, and anybody in the governing party, pursues pretty much the same line. So it would have been really unthinkable that somebody in the military would have made it clear to the American embassy that they disagreed with that policy.

I'm only hedging this because in fact the man who was the acting chief of staff of the military, he was the head of the air force, his situation was never quite clarified, normally they have an army guy who is the chief of staff, but this guy had been acting for quite awhile, his name is Ridar Aktar. He became not just a friend but I would say a kind of a soulmate. He was somebody I really respected a whole lot. I just admired his ability to look at issues. He never criticized the Tunisian government's policy.

What he said was that, after all this was a real blow to them, his air force largely has US aircraft and lots of US training, the IMET program and everything else that's up to the Tunisians to take advantage of. Suddenly there was no more military assistance program coming from the US and there might never be anymore. Really after that time there never was much of a budget. We were able to give them loans for awhile. I think we did get a couple of million bucks back into the budget a bit. But, at any rate, his line, he told me, what he told his military officers was, “We've had long relations that were very warm. This is temporarily a different kind of period. Don't do anything to make it worse.”

This was also the way that he had his relations with the colonel who ran our military assistance program. Who had been new and didn't really know his way around too much. Aktar kind of took him under his wing and said, “We're not now what we normally are in terms of our bilateral relationship. Just be patient and go about your business and we'll see what happens.”

So, I think in response to your question this man may very well have disagreed with the policy but he never let that show. It would be very rare for a Tunisian to let you know that he disagreed. Unless he was in the private sector and even then he'd have to be very sure of himself.

Q: Maybe talk a little about, we're on the situation on how the Tunisians operate and then we'll talk about some of the things that happened. This is the period that remains, that one is looking at many of these Muslim countries but particularly anything close to Algeria because of the Fundamentalists. You have Qadhafi and Libya on the other side. Internally were there concerns, before you arrived there or when you got there, that you were going to keep an eye on?

MCCARTHY: My main agenda initially was to clean up the residue of the Gulf War. As I said, that proved remarkably easy, since both sides totally agreed, that proved to be a very easy kind of thing to do. Secondly, to support the secretary in the Middle East effort

and it became very clear early on that the Tunisians were willing to go to unusual lengths for them to be supportive. They wanted the PLO out of Tunis if possible. But they also legitimately were tired, I think, of what they saw largely as a distraction, in terms of the Arab-Israeli conflict. They wanted to help us on that one.

Then, I was supposed to promote democracy. They were accommodating. They were moving in a Tunisian careful way in that direction. I was supposed to monitor and try to limit human rights abuses and this gets to your point. Because I arrived, there is a Tunisian Islamic fundamentalist whose name is Rashid Ghannouchi, who was already in exile, who while I was there was tried and convicted in absentia of trying to overthrow the government and assassinate the president. So he was condemned.

There had been a period of time, it's complicated and there's no way around the complications, Tunisia is a solid country with a large and growing middle-class. As I said, a homogeneous population generally ruled by consensus. There had been strong men in the palace since the beginning. But those strong men have rarely, and there have been exceptions, have rarely really had to crack down very hard on the population. Most of the time most issues get worked out by people sitting around and chatting. This had been, I think, both Bourguiba and certainly Ben Ali's approach to fundamentalism. Bourguiba had tired of that approach because it wasn't getting him anywhere.

When Ben Ali took over the government and deposed him, the ostensible reason for that was that Bourguiba was in a dead-end with the fundamentalists. Some of them had been condemned to death for crimes while he was president. Ben Ali took over, tried to talk to the fundamentalists, to Ghannouchi, to some of the others, and what he would tell me, what he told Pelletreau, what he would tell any ranking American visitor, just a few days before I left Tunis in 94 we had Senators Paul Simon and Harry (end of tape)...

Q: You said you had a group of Senators.

MCCARTHY: Just to illustrate, just a few days before I left Tunis in 94, we had an important senatorial delegation. I remember sitting there listening to Ben Ali and they got the same line. Namely, I tried to talk to these people. You can't do that, it doesn't get you anywhere. The only way to deal with them is to crack down and to basically eliminate them from the political scene. He would give details.

He would have Ghannouchi, this was all before I got there, he would have Rashid Ghannouchi into the palace and they would chat. He would think he was making progress and then Ghannouchi would go out and give a talk to some of his followers. It would all be: “We've got to overthrow these people. We've got to go back to Islamic fundamentals, the purity of Islamic law.”

By the time I got there, they were in the Tunisian government and moved into a different phase. Which was to crack down and arrest everybody. Ghannouchi had left and was living in London. A lot of the other leaders had left the country and were somewhere in Europe or maybe Algeria. At any rate, they had tired of the combination and they were moving into a period of cracking down, moving to trials which took place the following year.

There is a problem of Islamic fundamentalism in Tunisia. It is no where near the magnitude of say Algeria or other countries where it has manifested itself. Why, and I think the answers lie in the very prudent correct economic and social policies that the Tunisian government has followed almost since independence.

They have, year in and year out, plowed about 30% of the budget into education. So they don't have tons of young kids who don't have a school to go to. So the people get a good education. Then, when they graduate they don't end up on the streets because by and large, this is a simplification there is an unemployment and underemployment problem, it's not massive. In fact, when I was there it was getting better. Tunisia has industrialized to some degree, not massively but to some degree.

It's close to the European Community. It's taken advantage, or Tunisian businessmen have taken advantage, of various agreements that are possible with the community. Particularly in the fields of textiles and electronics to set up assembly plants, to set up manufacturing plants, textile mills and that absorbs a lot of people. So there are a fair number of jobs around. Government has also taken in a lot of people. But again not too many. The Tunisians have had a World Bank and an IMF program for a number of years. They followed pretty much the strictures laid down by the IMF.

I wanted to mention agriculture. They have gradually reformed agriculture. They had nationalized a lot of property after independence that had been sitting around pretty inefficiently used for 20 or 30 years. While I was there they had put together programs, which were still politically sensitive but less so then before, allowing them to lease out, for 25 and 30 year periods, vast tracts so that investors could go in and start modernizing agriculture.

It's not bad. Socially the policies are good. There's good health care. It's a small country but still it's not a country that has put all the money in the capital. Up and down the coast, tourism has been partly responsible for that. There are good schools, good hospitals, good roads, relatively easy access from one part of the country to another even in the interior, which by our standards would be regarded as primitive. Nonetheless, again Ben Ali had this program of getting in electric power, getting in running water, getting in some sort of sewage system to every agglomeration of any size at all, it was paying off. You would go out to even the most remote little provinces and there had been a lot done in the last several years.

They were taking care of the social and economic underpinnings that I think lead to this kind of fundamentalist backlash. And, as I said, while I was there they were cracking down on the leadership. There were excesses. This was a running sore while I was there. I often got instructions telling me to go in and beat up on usually the minister of foreign affairs or the minister of interior on specific issues. We were working closely, or we were following

closely what Amnesty International was saying about the country. We would see Amnesty people when they came into town.

I guess I ended up, I would occasionally cross swords with the Human Rights bureau in Washington and with my own desk. Because there is an aspect of bleeding heart liberalism, I would say, to our whole human rights policy. It cannot be defended from accusations that the governments who get beaten up on the most, are the ones who are the most prone to listen like that of Tunisia.

Tunisia would love in our annual human rights report to get an A but normally got a B-. It was easy enough to single out the excesses or the abuses of the police, of the juridical system in Tunisia. The reason why it was easy enough to do it was that the place was a relatively open book. There were Tunisians, including the president of the human rights league, the Tunisian human rights league while I was there, who would be very critical publicly about what the government was doing. He got himself in trouble too because of that.

But it was a relatively open society and therefore there was lots of information available that you could go in and confront somebody in the government with. As like as not, they would, in fact, try to clean up the system or the abuse after that.

I felt that they were not given sufficient credit not so much for their performance, their performance was lacking. But sufficient credit for the pressures they were under. Here again I would part company with colleagues of mine in the foreign service, and certainly people who've left the foreign service and are now in the private sector, and some academics. I think Islamic fundamentalism is a real menace. I don't think you can trust these guys for a moment. I think that wherever they do get a chance to show what they would do, they do a terrible job. As difficult as it is for the Tunisian government to accept criticism from an opposition, the Fundamentalist don't take opposition at all.

We were dealing with an imperfect regime that was doing one hell of a good job in 90% of the areas that it was empowered to work on. It was questionable in a couple of others. I thought that we often lacked perspective about that.

Q: I think this is an interesting question to address at this point, the thing is I have to state my prejudice. I agree with you exactly. I've often thought that we speak out of two sides of our mouth. There are many in the foreign service who certainly understand that this Islamic fundamentalism, we're talking about absolute intolerance, is not good for the people and is not good for the world. Yet, at the same time, we want to show that we are not opposed to Islam. Of course this is only one aspect of Islam.

Did you have the feeling that there were others within the state department? Was there any sort, if not consensus, was there a significant group that sort of went along with you? This thing is, I mean, we've got to go through the lip service but it's dangerous.

MCCARTHY: That's right. The way that the desk could not deny the fact that there were differences of opinion was that if a high-ranking Tunisian came within sniffing distance of the secretary of state, the secretary's human rights talking point would be his last one. And it might come up almost casually over lunch rather than during the business meeting.

I don't want to dismiss this. While I was in Tunisia, there were individuals who died at the hands of the police. This is a terrible thing. It cannot be condoned by any society. And if it is, the society sooner or later becomes very rotten and probably needs to purge itself through some sort of period of anarchy. But with Tunisia, I knew that the people I was talking to, and certainly I knew that a lot of people who worked with them and around them, agreed with me completely and that the situation was serious but not grave, I suppose is one way to put it.

I do recall the time when I was angriest with Amnesty. They came out with a report on Tunisia, this was a little later in 93 or probably the beginning of 94, saying that 80

people had died while in police custody the year before. I called them up, well I called up Washington, the desk and I said, “Talk to them, nobody has ever said 80 before.”

The figure talked around here in Tunis, among ambassadors like myself who were interested, some of the Europeans were quite interested, among the human rights community while it was in came in for hard blows during this period in the government. But none of the Tunisian human rights leaders really had anything terrible happen to them. They too had never talked about much more than 5, 6, 7, 8. There was an obvious improvement during the period while I was there. It was at its bleakest in 91 through maybe summer of 92. After that things did start getting better.

Anyway, the desk checked with Amnesty and they said, “Oh, that's a mistake. We meant to write 8 and the 80 was just a typo.” They told the desk that. There was no publication from Amnesty saying “we have maligned Tunisia egregiously.” I thought this is the end with these people. They've got a problem. Amnesty is a bunch of volunteers, they're not highly paid, a lot of them aren't paid at all. They are true believers.

They land in Tunis at the airport, they feel that they're being watched. They are being watched. They go to talk, if they're lucky, to a couple of scared Tunisians who may very well exaggerate. It's hard enough. But I found — Jesus Christ, if you meant 8 and you said 80 that calls for a real correction because it's really taking a country unfairly to task.

I inspected last year in Latin America. In Peru they were down that year, they were down to maybe a hundred people who had disappeared while in police custody. The embassy was telling me that this was a tremendous improvement because in earlier years it had always been 4 or 5 hundred. I recalled that in Tunis we were never talking about more than a handful, or 2 hands-full, of people in the worst of years. You've got to keep things under control.

What the Interior minister, and I must say that he was an interesting guy, what he would say to me was, “You know, we had a real problem that we've been working with. When we

were first independent we recruited policemen if they had an elementary school education. Then we raised it to a high school education. Now we're trying to get it so that they would have some sort of semi-university degree. We are upping our standards little by little but a lot of these old guys, who are very little removed from being illiterate, are still on the force. It takes a while."

Q: Tunisia became independent in 56. So we're still talking about a time...

MCCARTHY: Everybody I worked with, interesting people, everybody in the government tended to be there because he was competent and tended to be the child of people who had grown up under the French. They had been young kids under the French in the last few years. It's a funny country. They've absorbed French culture in lots of ways. I always worked with them in French. Their French was impeccable, it was very beautiful, it was very nuanced. I have lived in black Africa too which was nowhere near the same. These people are very comfortable in a kind of Mediterranean, euro-kind of civilization in a lot of ways. And yet, they would remember things that they hadn't liked about the French - exploitation.

Even in the '50s, under the French, there was a very limited educational system. Secondary schools only in Tunis and one or two of the other cities on the coast. The French had basically used the place, exploited it and hadn't done much for it.

It's a very interesting country, lots of good things to talk about. And, doing very well while I was there. To get back to our point, obviously it was very important that the American ambassador remind them quite frequently that they were being rated on human rights as well as anything else. But I would emphasize, if you look at their support for the middle east peace process, if you looked at what they were doing domestically on most of their policies — economic, social, across the board — they could not have been more copybook perfect in terms of the advice that we or the World Bank or the international monetary fund

or the Europeans would have been giving to any country in the Third World. Everything had to be kept in perspective and, I am afraid, that once in a while it wasn't.

Q: Before we move to the peace process, could you talk a bit about the influence of Libya and Algeria from your perspective during that time?

MCCARTHY: Again, this was the summer of 91, in November of 91 we had been investigating, and I was aware of this, I don't think we talked about this during the Lebanon discussion, PanAm 103, the plane that was blown up over Scotland. I think we didn't talk about it. In November of 91 we concluded that Libya was responsible and we said so. That was when we began moving in the UN security council towards getting sanctions.

Sometime in mid-November I was scheduled to be with the minister of interior at an anti-terrorism review exercise that we were putting on. We had helped train an anti-terrorism brigade. We had some people in town. There was going to be a live demonstration of how to take down an aircraft that had been seized by hostages. The morning of that ceremony, my instructions on Libya, to go in and tell the Tunisians what we had concluded and to elicit their support for security council resolutions, arrived. I took them to the airport, because I knew I would be with the Interior minister and it would be the ideal opportunity to talk to him about this.

We proceeded through this exercise for about 45 minutes or so. It took place in the main hanger at the airport. Then we went outside to get up on a scaffolding where we were to look at this plane just off the runway and conclude the exercise. While he and I were standing there, there were a couple of dozen people in back of us, there were a couple of people 18 feet below us on the ground, were talking to us. We all came forward to listen to them. At that point the scaffolding tipped and we all plummeted to the ground. I was injured. I broke an ankle and tore the ligaments in another. I can remember calling for my security officer and saying, “Look, take this thing, it's secret. I don't want to be responsible

for it as I go to the hospital." But we didn't deliver the paper that night. I guess I got it to him the next day or something.

At any rate, yes, Libya was a constant concern of the Tunisian government. Ben Ali would tell me that he had no doubt that Qadhafi, at times, had plotted his assassination. That there was, in his mind, relatively clear proof. I don't think that he was exaggerating. I think that was quite true.

Libya was a constant menace, basically on the southern frontier. Libya, with Algerian complacence, had actually invaded Tunisia in 1980. That was always something that could happen again. Lots of money in Libya and Qadhafi, always a risk there.

Algeria, kind of big-brother little-brother attitude on the part of both countries. The Algerians tended to look down on the Tunisians most of the time and tended to have lots more resources than Tunisia ever had because of the oil and gas income. And yet, during the period I was there, Algeria was in first an electoral period, the outcome of which would have been the election of an Islamic fundamentalist majority in the parliament, then the military takeover. So an Algeria convulsed by internal problems. An economy in a shambles not doing as well as poor little resource-poor Tunisia. And, not liking that, resenting that as well.

So a country squeezed between two large, at least geographically in the case of Libya, two large neighbors. One of which was coming apart at the seams. And one of which was run by a lunatic. I saw this in real ways. One large American corporation was thinking of making an investment, Sara Lee. It was thinking of making an investment in Tunisia.

Q: Sara Lee — well, it's more than food.

MCCARTHY: It's much more now. Their investments tended to be in textile and apparel in this part of the world. While we were never able to pin it on anybody, well I think we were, can we name names here?

Q: Sure.

MCCARTHY: At least some of the Sara Lee people told us that a member of their board, whose name is Rozanne Ridgway, had advised them against investing in Tunisia because of all of the unrest in north Africa. Which, if true, shows how a euro-centric foreign service officer had missed the point. I mean it's a semi-fair criticism except that all of Tunisia's trade and most of its interests are in Europe and with Europe, not what's going on in the immediate neighbors. Would not, I don't think, normally impact on a foreign investment in an area like textiles where you would get in, set-up the plant and probably make a profit on your earnings in a fairly short period of time. There would always be time to decide before you would lose the investment in any sense. It was regrettable.

I think that that in microcosm was what happened a lot of the time. Particularly with Americans. I think Europeans knew enough to desegregate. But I think a lot of potential American investors looked at it and said, “Ooh, look at the neighborhood,” and moved on. So, it was a problem.

Q: So now, let's talk about the peace process at this point. First place, you keep mentioning that Tunisia took the PLO. Could you explain the background of that for someone who might not be familiar with it?

MCCARTHY: We're talking 1991 to 94. By that time the PLO leadership had been in Tunis since about 82. What had happened then, the PLO had knocked around the world quite a lot. Had been in Jordan for much of its formative period. There was a war in Jordan.

Q: Black September.

MCCARTHY: That's right, Black September in 1970. As a result of which Arafat removed himself and his establishment to Lebanon. He was invited to Lebanon. That didn't work out too well either so by the early '80s he was being thrown out of Lebanon as well.

Q: With the Israelis.

MCCARTHY: That's right, the Israeli invasion.

We helped to broker an evacuation of the PLO forces from Lebanon. The Tunisians reminded me from time to time that we had been not insistent but certainly we had suggested how wonderful it would be if Tunis could provide some sort of a home for the PLO.

By 1991, the PLO had been long ensconced in Tunis. There were lots of comments, both about and from within the PLO, that it had lost some of its revolutionary purpose on the sunny shores of the gulf of Tunis. But they were there. The Tunisian government, in its usual prudent way, and unlike the Lebanese government in its usual slapdash way, had never really tried to control very much what the PLO did internally, had a good system. We ran afoul of it once in awhile because anytime any Palestinian arrived at the airport who had not been notified to them by the PLO leadership as coming, they would arrest him. They would intern him until they knew what he was doing there. Two or three times during my stay, an American of Palestinian origin but with an American passport, who was a journalist, or a businessman, or whatever but with no particular interest in the PLO. Or a journalist maybe who hadn't cleared his visit in advance with the PLO, he may have been coming to see them, would in fact be arrested.

We would eventually get a phone call. Although we had a consular convention we hadn't quite convinced them that it made sense to notify the embassy immediately each time they detained an American citizen. Sooner or later some Tunisian, as it would kick higher up, would remember and we'd find out about it. We would go and say, “Wait a second, this guy is one of us.” And they'd say, “Okay.”

But, the point was, they didn't allow the PLO very many arms in Tunis. Bodyguards for Arafat are okay but nothing much more than that. They watched very carefully where they

went. They didn't really get outside of the city of Tunis much at all. Their international movements were, again, carefully controlled. So they were a good host but they were very rigorous.

Q: The PLO had a terrible reputation. They tried to take over the government in Jordan. They tried to take over, and they did kind of take over, large chunks of Lebanon. So with very good reason that they didn't want to...

MCCARTHY: I guess we're saying the same thing but maybe what I'm emphasizing is that the Tunisians were efficient enough to dream up a good system to control something and then to provide pretty constant implementation. So that a decade later they had not gotten sloppy about their surveillance nor had they gotten unfriendly in terms of their contacts with the PLO political leadership.

It was very effective, someone should do a book about it some time, they provided a refuge for the PLO but it was carefully hedged in with restraints. So they did not succumb to this typical PLO ability to slop over and mess up whoever happened to be hosting it at the moment. Not because there wasn't the potential there. The PLO also had people in Libya, for one. Qadhafi was perfectly willing to spread his funding around. There were various rival factions in the PLO who were, more or less, under his control. Anything could have happened. It just didn't happen most of the time in Tunis because they were watched pretty carefully.

So, the PLO was there, to go back to your question, within a week of my arriving Baker came. He saw Ben Ali. There's a man named Habib Ben Yahia who was the Tunisian foreign minister. He became foreign minister because he was known by Ben Ali to have very good relations with the US. He had been their ambassador here for a very long period of time. He became foreign minister when Ben Ali decided he needed to mend his fences with us in the spring of 91. He's still foreign minister 5 years later. He's very competent.

At any rate, Baker saw them together, I guess. Maybe we didn't have a separate session with Ben Yahia at that time. I don't think there was time. It was all done at the palace. Anyway, Ben Ali said, “Look, I do agree with you. I will work with you. I will go to great lengths to support you in this policy. I will run risks in this policy. I believe in it.”

This was August of 91. When I left the country in July of 94, he had been good to his word ever since. There have been times when it wasn't easy for him. Domestically, I remember Ben Yahia telling me a couple of times as the process unfolded. “We know where we're going, we know it's in our interests. But our public opinion for 40 years has been told that Israel is the enemy of the Arab people. It takes a while to turn that around. We need to do a little educating here.”

And, he would also tell me, they would tell me that some of the Arabs, certainly Libya and a little further afield Syria, were furious at the various gestures they made along the peace path to make it quite clear that they were fully in support. They went to all of the meetings in Madrid and Moscow. They signaled early on that they would be attending those things.

I have to work out the dating but when it came time to host various working group sessions they usually weren't the first Arab country to host but they would be the second to host a working group meeting. Which would mean the presence of an Israeli delegation in town. This wasn't easy for them. It hadn't been done. It wasn't easy domestically, as I said, and it never became easy vis-#-vis the Syrians and the other hard-noses in the Arab community.

They were out in front. Tunisians instinctively don't like that. They prefer to be somewhere in the middle. But Ben Ali had told Baker that he would do that. He delivered. So on middle east peace they were very helpful.

The period while I was there, I left in July of 94, I went to the departure ceremony for Arafat in June of 94. That was kind of a joke because for several months, by then I was seeing him quite frequently, he said to me, “Which of us will go first? You or me?” He knew

I was leaving, but we never knew. But at the airport in June, he said “Ahah! I'm beating you out.”

Q: Could you talk about, what was our role from your perspective. When we talk about the peace process at this point we're talking about bringing Israel into peace with the Arab world, essentially. How did things develop by the time you got there?

MCCARTHY: Tunisia, first of all, I think he was in Jordan, Bourguiba made a famous speech in 1965. So quite a long time ago. Somewhere in the middle east, I think it was in Jordan. Where he talked about the need to make an accommodation with Israel.

Bourguiba was always floating trial balloons. He was famous in Tunis for having gone on television once during the month of Ramadan, the fasting month, drinking a glass of orange juice saying that this thing about no liquids during Ramadan is really silly. Of course, there was such a backlash that he gave that one up.

This was similar, he ran into a real buzz saw from the other Arab leaders — “What are you talking about?” This was a heresy. “We're not going to make any accommodation with Israel.”

At any rate, within Tunisia, certainly within the informed body politic, like Morocco there had been a relatively significant Jewish community in Tunisia forever. There is an island in southern Tunisia called Jerba which boasts that it's got the world's oldest synagogue. It probably doesn't but it's got a synagogue that certainly can be dated back to Roman times. There were always Jews in north Africa. After independence, after Israeli independence, after Tunisian independence, a lot of Jews gradually left, went either to Israel, not too many, a few went to Israel. Lots of them went to France, particularly to Paris. A fair number of them stayed around. I guess after the 67 War, there were demonstrations in the streets and a lot more left then. But there were relatively prominent Jews in Tunis while

I was there. I knew a number of them. This, I guess, was even accelerating while I was there.

A lot of Tunisian Jews who had moved to Paris, had maintained their property in Tunis. Some of them had legal hassles, some of them hadn't. But there never had been any mass expulsion. It wasn't like some of the other countries in the Arab world. There was always the sense that this was an unfortunate political turning that shouldn't interfere with our personal lives. If somebody happened to know Jews, and a lot of people did, they kept up the contact.

And more and more of these Jews who had left to go to Europe were beginning to come back. There were lots of family weddings of Jews who didn't live in Tunis anymore. Of course they brought their kids back to get married there because that was where the family originated. More and more people were coming back to spend summer. One Jewish guy that I knew was putting together the funding and trying to find the right piece of land to build a kosher hotel on the beach in Tunis. For all I know, he's done that by now.

There was no terrible enmity. Nor was there any unfamiliarity with Jewish life. There were Jewish communities in several of the cities that still exist. There was a kind of openness. Historically, Bourguiba had laid the path by agreeing to the existence of the state of Israel.

So, in 91, the time frame that we are talking about, Ben Ali said, “Okay, I will work with you to do it.” There were a lot of pressures from radical Arabs. But, nonetheless, each step of the way, as I said, I would go and say, “You know, we would like you to come to the Madrid conference.” I may have this wrong but I think it's probably true, that the foreign minister would say, “Yes, we'll go but we're not ready to announce it yet.”

Eventually, when it would start to get slightly annoying that they hadn't said anything public about their attendance at this that or the other.

Q: The Madrid conference being what

MCCARTHY: This was the process, the conference that launched, set-up this very complicated, very clever US-inspired framework of both bilateral and multilateral negotiations among and between all of the various participants that has led to the Israeli peace treaty with Jordan. Didn't lead directly but certainly encompassed the Israeli-PLO talks in Scandinavia that resulted in the Memorandum of Understanding signed on the White House lawn in September of 93. And set- up a series of multilateral working groups that talk about economic development and environmental issues, a variety of different kinds of issues. Each of which meets several times a year and needs a venue. The early venues were all in Europe. Eventually, Tunis became a venue for several of these sessions.

I can recall, fairly early on, when Tunis agreed to host one of these working groups. The Israelis wanted to do some preliminaries so they sent in an advance team. I asked the foreign ministry if they would like to come to dinner at my place with the Israeli delegation. Obviously, this one got a careful review pretty high up. I hosted a little dinner party where there were 3 or 4 Israelis, 3 or 4 people from the foreign ministry and 3 or 4 Americans. It was very touching. It was very nice to be able to do something like that.

But the Tunisians were always weighing. How much can we get away with in terms of public opinion and in terms of the Syrians and the Libyans, as much as anything else. So, it was a long process but they were good participants in the multilateral process. We're really only talking about one aspect of this. Because the other thing that we wanted from the Tunisians was a kind-of hand on the rudder vis-#-vis the PLO which was there in town, with which we were still having no direct contacts.

Q: You couldn't.

MCCARTHY: I certainly couldn't. I was enjoined from having any contact with the PLO leadership. I mean if I ran into somebody casually at a reception I was suppose to not be

rude but I wasn't supposed to engage in conversation. That went on from the time I arrived until September of 93. Then the White House ceremony, after which things changed.

Q: What happened? Pelletreau had been talking to the...

MCCARTHY: There had been a PLO dialogue that had been official, that had been broken off after a Palestinian terrorist attack on the beaches of Tel Aviv in 1990. So, there had been a dialogue for 18 months in the late '80s through about the summer of 1990.

Summer of 91, a year later when I arrived, no dialogue, no contact anymore. We were very interested in learning from the Tunisians and other well-plugged in embassies in town and I would say that was particularly in my in-case, the Egyptians, the Brits, but you had to worry about the Brits, at least the British ambassador was so much a Palestinophile that I always felt that if I ran what he told me against what the Egyptians, the Russians, and the Tunisians told me, his version was often the furthest from the truth. I found that a little distressing.

You had to see them all, pretty much. It was easy enough to see them all. I would say that the ones who were most useful tended to be the Tunisians and the Russians, and maybe the next step down, the Egyptians.

Q: By this time the Russians were in the game?

MCCARTHY: We were co-sponsors of the peace process, don't forget. The Russian ambassador was a very nice man who became a good friend. I think we talked about this a little bit the last time when we talked about my Russian ambassadorial colleague in Beirut. In Beirut we had edgily figured out that we could get along with each other. We didn't really compare notes on the local situation that much, but we did a little bit. But I was still kind of wary and didn't want to be perceived as being too close to the Russian ambassador, the Soviet ambassador.

By the time I got to Tunis, first of all my major item of business, the middle east peace process, was his major item of business. He was full of what was going on in Moscow vis-#-vis his wife and his parents and lots of other issues. The checks were never in the mail for his embassy. He had lots of interesting things to say. He was just a very nice person so we did spend a lot of time together. He had a number two who was very close with a lot of PLO leadership. So we were able to get a lot of information from the Russians as well as the others.

To go back to the Tunisians, what we got was a general agreement in 91, the Baker visit, but which they continually put the flesh on the bones of was to be a kind of calming influence on the Palestinians during the peace process when issues got hot. I can recall any number of times when I would go to see the foreign minister or call him on the phone and say — Do you mind seeing if you could prevail on them for this, that or the other issue. When the next day he would call me back and say, “Did you see in the newspaper that Ben Ali had spoken to Arafat?” I'd say, yes I did. “Well, he was delivering your message.”

So, they delivered. Later on, I would occasionally, I wouldn't get resentful because I'm realistic but I would get close to it, because as the peace process really intensified, Washington wasn't always tremendous about using me as the messenger. People like Dennis Ross would call up Ben Yahia directly to either drop off a message or make a request. He was pretty good because he lived in Washington long enough to know that American ambassadors were often out of the loop. He would generally have somebody in his staff call me to say that — Dennis Ross had called us yesterday and asked us to do this. I thought it was very nice of the Tunisian foreign minister to tell me what my government was doing.

Then, I would double back. They were good people. There was a guy named Dan Kurtzer who was a member of the American peace team. Dan, if I called him and asked for an update, Dan would know that it was time to apologize, first of all, and would apologize for

keeping us out of the loop. He would also give me some good insights into what we were thinking.

As the peace process accelerated, the Tunisians were very helpful across the board, very very good.

Q: Was it in the cards, were you pushing for the Tunisians to recognize Israel?

MCCARTHY: I think that was always implicit. I can't recall that Baker asked for that and they still haven't, you know.

Q: Yes, I know.

MCCARTHY: But they have again gone further than anybody else. What they announced, only about a month or two ago, is that they and Israel would maintain interest sections in the Belgian embassies in each other's capitals. That was only announced about 2 months ago. I think Christopher asked for this when he came to Tunis in December of 93 and asked for some movement on Tunisia's part toward recognition. From then on, December of 93, some time late 95, so about 2 years, it took the Tunisians that long. Not to start the negotiations because I knew from my Belgian colleague in Tunis that this was underway for some time, but to figure that it was safe enough. The time had come when they could announce this.

Negative things kept happening. The Tunisians would be ready to make a move and there would be some terrible — the Hebron massacres — something would happen that would get things off the rails for awhile. They didn't want to be too far out in front. But they also wanted some credit so they didn't want to be last in line either. I used to, once in a while, try to imagine myself in the middle of one of their presidential councils when they would sit around and chew these things over. I'm sure they were after perfect timing but they didn't always get it. Sometimes we would be a little impatient and sometimes the Syrians would

foam at the mouth. But they wanted to be noticed for their role in the peace process but they didn't want to run really extreme risk. It was a guessing game for them.

Q: You keep mentioning the Syrians. What was the Syrian presence there and what was their role?

MCCARTHY: The Syrian presence in Tunis was almost nonexistent. There was a Syrian ambassador for a while, then he was gone. I think eventually there was a new ambassador. Where we would hear about the Syrians, where I would hear about the Syrians, was directly from the foreign minister who would come back from any Arab league meeting and tell me that the Syrians were furious with the Tunisians. Saying, “this is none of your affair, you're off there in north Africa, you let us manage any rapprochement with the US and the Israelis on these peace issues. Just stay out of it, or...”

At least with me the implication was that the Tunisians were being threatened with unpleasant domestic repercussions - terrorism. I may be being a little blunt but according to the Tunisian government, at each step of the way the Syrians would make clear, with imprecise threats that if they didn't slow down, they would be sorry.

Q: What was your judgment, and also your staff at the embassy, of Arafat during this time? Here you were neighbors but most of the time you weren't talking. How did you see Arafat and the PLO leadership at that time? You were looking over their fence practically.

MCCARTHY: At the embassy there was a political counselor who was an Arabist.

Q: Who was that?

MCCARTHY: Andrea Farsakh, most of the time I was there, she's the person. When I first came Janine Mann was there for the first year but we were not doing much more than monitoring. It was the last two years when things were quite active. Andrea did her best with people at the other embassies and the Tunisian government and I did the same. But

this was mostly trying to find out what they were doing, what they were thinking. But not in a very specific kind of way.

I'm talking about 2 years, beginning of 91 to September of 93. Things heated up. We became more and more interested in finding out what they were doing. But we were not to use the other embassies to convey messages. Because a couple of times the Egyptian would ask me if I wanted him to do something with the PLO for the US government. I would have to be very clear that I didn't want him to do anything for me. As I said with the Tunisians it was a little different. We would ask them to be at least a moderating influence if not to carry explicit messages.

Once the agreement was signed here in Washington, I called the state department. I called Dan Kurtzer and said, “You know, at the moment this is a hypothetical question but I think that in the next couple of days I'm going to be asked — Arafat had been in Washington, he was coming back — I'm going to be asked to something where he would be present. I don't see why I should be saying no since Bill Clinton had just hosted him.”

I do recall that I called saying it was only hypothetical, it was only a heads-up. He said, “Okay, you're right. Let me think about that.” Then, within about a day or so, I was invited by the Tunisian office of protocol at the foreign ministry to come to the airport to welcome him back. I called, I don't think I could reach Dan then, I called somebody else somewhere in the department, not the Tunisian desk, maybe somebody in Arab-Israeli affairs. I think I called the Op Center because it was early in the morning, Washington time.

I did call the Op Center and I said, “Look, get to Dan Kurtzer, get to anybody else who makes sense. Tell them I am going to the airport - in 3 hours or 4 hours, I don't know how much notice I had - unless I am directly told not to.”

I didn't want the local papers full of stories of the ceremony with someone saying that everyone was there except the American ambassador.

Q: Yes, having just come from the White House.

MCCARTHY: I was sure that this would eventually become US policy but I was worried that it would happen 2 or 3 hours after that instead of before. I said that I'm going unless I am directly told not to go. Nobody would have the nerve to tell me not to go. Eventually, I think that Dan did call me back, and said, “Go but keep a low profile.”

Q: Wear an inconspicuous suit.

MCCARTHY: It was nice to see the wheels of change in the US government can turn, if it takes a while. I was allowed to go to that one. Then I called up and said it went fine but I'm sure that either he or someone else in the PLO leadership is going to ask to see me soon, what do I do. Little by little, it took about a week or ten days, but eventually that also did happen.

There was a guy named Hakim Balawi who was the PLO representative to the Tunisian government. He asked to see me right away. I was afraid that I would get stuck with him as my approved intermediary from Washington. Because it was pretty clear from my first session with him that he didn't know much. I mean he wasn't very smart. I don't think he was that deeply into the PLO leadership. He was just an old buddy of Arafat from somewhere or the other. But I could find out more about Arafat's thinking from the Egyptian or the Russian ambassador than I was ever going to get from Balawi. So, I was really concerned that I would end up with some kind of a limited guidance that this man was going to be my counterpart.

To go back to the PLO dialogue in 89, 90. Balawi was the official representative designee. Pelletreau didn't just see him but he spent a lot of time with him. Balawi was a big waste of time, basically.

Within about a week or 10 days, my instructions were that I could see Arafat if he asked to see me or I could see him if I was instructed to see him. I guess all I wasn't supposed to

do was to initiate my own request to see him, which I don't think I would have done in any conceivable circumstance anyway.

So, within a week or 10 days it was fine. I was seeing him quite regularly. I could see pretty much anybody else in the leadership. We were always careful about knowing who it was if we were in rooms of people because we didn't want to get involved with anybody who had a clear terrorist connection either. That was a risk.

Within a short time after the White House ceremony, we were seeing, I guess initially it was just me, I was the only person authorized. Eventually, I did get authorization for the DCM and the political counselor, and maybe one or two others.

Q: Your DCM was who?

MCCARTHY: Kay Stocker. Kay Stocker, Andrea Forsah, myself and eventually a couple of the economic people as we moved off more into development assistance questions. Our contacts with the organization. Abu Mazen, the guy who had done the negotiating in Sweden, Stockholm, was one that I saw a lot of early on.

Then after that I saw Arafat once a week, sometimes much more often.

Q: Why would you see him?

MCCARTHY: He would want to talk or I would be asked to see him on one thing or another.

Q: What types of things were you...

MCCARTHY: We were pushing the hardest on well, let's see, this was September. The next event there was a great big pledging conference in Washington in October, it seems to me in 93. Where we and the World Bank and the Europeans and the Japanese and a bunch of others came together. There was PLO representation.

Some of the things were, not so much, well even seeing Arafat, but calling around to the people who were on his staff, trying to get the names of his delegates. Who's going to go to this meeting? It was sort of I guess an illustration of Arafat's inability to delegate. Nobody knew until the last minute because he hadn't signed the travel orders yet and the authorization to buy the tickets. He really is a guy who kept every possible kind of authority in his own little hands, and the hands were little.

Anyway, the Washington pledging conference. Almost all of the time that I was there, one constant theme in my discussions with Arafat, my instructions with Arafat, were to encourage him to set-up a recipient agency for the economic assistance that we and the others wanted to provide. Some sort of an accountable transparent responsible organization that AID and any of the other donors could work with, could turn money over to and could have some sense that something real would happen with that money.

Arafat was frustratingly opaque on that issue. Eventually, he agreed to establish an agency. Then he established one or two other agencies. The chains of command were very unclear. Who is responsible, who is doing what. It was terrible. I enjoyed working with Arafat but I don't have a great deal of hope or confidence in his ability to do anything in a terribly organized kind of way.

This was early on, maybe like late-October or early-November. We had some AID people in our mission in our embassy in Tel Aviv who wanted to come and do some consultations with PLO people on housing guarantees, housing loans, it really was a grant. Money that would have allowed early construction of housing in Gaza. A kind of immediate infusion of cash to get some houses up to show the Palestinian people. Arafat was telling us among others that peace was great but these poor people in the occupied territories needed some immediate proof that their own personal lives were going to be bettered by peace. He needed some carrots.

I went to him. I said we're ready to do this but we need this, that and that. In other words, we need this recipient agency that we have some confidence in. We went back and forth for some time. We were talking 25 or 30 million dollars, immediate. He looked at me and said, “I never asked you for housing money. That's not what I need.” He needed money for equipment and training.

He wanted money in his pocket. But I was appalled that this guy in some moods would tell me about the misery of the daily life of the man in the street in Gaza. And here, he was tuning me out. “I never asked you. Whoever asked you for housing money?”

He asked for housing money but he didn't like the fact that it came with strings. I suppose these were strings but they were rather minor strings. We just wanted to be sure that the money that the US congress appropriated for housing went to build housing, not to buy machine guns, not to train cops. This was a constant problem. He was not willing to be channeled in ways that we felt were necessary in some of these areas. That's a small illustration but it was happening all the time.

In those early months also there were negotiations on the way for the next steps in implementing this really bare-bones agreement that had been signed in Washington. There were Israeli-Palestinian discussions. Endless detail going on in Paris and in Taba and somewhere else it seems to me too. These turned around what sort of Palestinian presence would control access points and view points into the occupied territories.

Arafat was inclined to get very concerned about symbols. I wouldn't criticize him on that. I think it's been important for the Palestinians from the very beginning of this that some of the trappings of statehood be seen as moving toward them. And that they signed nothing that gave too much away. Of course the Israelis were coming at it from an opposite point of view. In those early months, in November and December, a lot of the discussions turned around that.

Somewhere through there the first contacts in Tunis, at least, between the American peace people, Dennis Ross and company, and the PLO started taking place. A lot of it was just getting those meetings set-up. It might have been the second time, it wasn't the first time. The second time that Dennis and company came to town, Arafat really wanted to have them stay for a meal. It was funny. I mean all of these people had known the issues for years but hadn't really known the main Palestinian players very much, if at all. Some of them, I guess, had met during the dialogue. But nobody was terribly anxious to get photographed with Arafat. Arafat, of course, wanted to be photographed with everybody.

This was, too much disorganization maybe, but one of the real frustrations of people around Arafat in the days after September was that he did not come back right away. Almost all of the rest of calendar 93, Arafat was on an extended junket around the world being received as a head-of-state in places like Jakarta, and Bangkok and Dublin. So anywhere that would invite him, he would go. I think that his point was — I could never get into these places before, or I couldn't get in at the right level. If they're going to invite me now as a head-of-state, I'm going.

People like Abu Mazen and Abdo Rabbo, his lieutenants who were working on the details of implementing the peace agreements, wanted him in town. Because they knew him well enough to know that anything that was decided by 6 or 8 Palestinians around a table that he wasn't present for, didn't hold up anyway. So there was a lot of frustration that he wasn't around. Nobody knew where he was half of the time or he was very difficult to get to. A lot of decisions were pending.

Anyway, we were invited for lunch for one of these sessions. But that probably was already getting into 94. But I remember the Americans involved, at first, didn't want to have lunch - can we get out without having lunch. The word from the people around Arafat was that he would really like you to stay and break bread with them. We eventually agreed that we would have lunch. It turned out to be almost fey, the occasion.

We sat around downstairs in these rather shabby headquarters. The PLO is rumored to have lots of money stashed away here and there but they lived, indeed, a very modest existence in Tunis. As we came to see the houses, they really didn't have any office buildings. They had lots of villas around town that were made over usually just with some tape and wire and some plywood into offices. Arafat's own headquarters were really quite humble.

We met downstairs for 3 or 4 hours in the morning. Then we adjourned to basically the landing of the second floor, the stairway landing that was a little wider than anything else. They had a table in there. There were 8 or 10 of us. Arafat sat at the head of the table. For anyone who knows the Arab world. he's rather disarming because he doesn't insist on this sort of aloofness or this sense of authority; somebody being detached from everybody else. He served soup. He was like a Jewish mother. He would put some in your bowl and say, “That's not enough.” And give you some more. He watched all of us as we ate and kept refilling our plates. Then we adjourned into another room for coffee. He had a big pile of cookies and a big pile of oranges. He insisted that we all take a bunch of cookies and a couple of oranges. It was really kind of cute.

So little by little I became used to dealing with him and to the people around him. It wasn't all that easy. It wasn't clear that the peace process was not going to come off the rails. Bilaterally the Syrians and the Lebanese were still not talking much. Multilaterally, they still were not participating. Bilaterally their talks were not going anywhere. There was the Hebron massacre in February of 94 where an Israeli radical fundamentalist burst into a holy spot, into a prayer area in a mosque in Hebron, and killed with a submachine gun a couple of dozen Palestinians.

Arafat said that he almost lost it for a couple of days. His ability to keep talking to the Israelis was seriously damaged by this incident. It's one of the few times. He was notorious in Tunis for calling in other ambassadors at 3:00 in the morning. I must say that either he knew I have very regular sleeping habits or he was going out of his way to be very

agreeable to the Americans because I normally saw him in the morning or in the early evening. This time, I think he called me in about 1:00 that morning, 1:30, to agonize with me over how terrible it was and what was he going to do now.

He had a theory that a lot of the settler resistance was being supported by elements in the Israeli military who were opposed to the Rabin peace process. And that this was one of his good illustrations of the fact that there were too many arms moving around among the settlers and this was something that the Israeli military wanted.

Q: Is there something we're leaving off now, do you want to cover something later? Because we've moved into 1994.

MCCARTHY: I had a very productive 3 years in Tunis. Bilaterally we really covered it sufficiently, I suppose. Except for human rights there really were no contentious issues at all. On the economic side, we were doing a lot of interesting stuff. The Tunisians were modernizing the telecommunications industry. They were looking for an American supplier. The embassy was able to help out both AT&T and Northern Telecom which is a company that does a lot of manufacturing in the US although a lot of it is Canadian owned. We were able to help Northern Telecom eventually land a sale.

The Tunisian stock market was taking off in a small prudent kind of way. Some American investors were interested in that. There was a lot of good stuff going on. Again, except for the fact that Libya and Algeria were so near by, Tunisia was in a small way, you could overstate this, in a small way becoming of more interest to the American business community. We were fully supportive of that.

I had a very good commercial officer, two of them actually. They were very helpful in those ways. We got a little Tunisian-American Chamber of Commerce off the ground and up running. It looks as though it's taken root, hopefully it will become a permanent institution.

And the Tunisians were doing okay on the Islamic fundamentalist issue except there were some serious abuses in 91 into 92. I think they have moved into the other direction now. They've probably got that under control.

The main matter of interest for me, for the embassy and for the US government in the last couple of years, particularly the last year I was there, was the peace process and it was going okay. But lots of interventions on our part. Everything that could have gone wrong. Or every issue that could have gone slowly in the bilateral Israeli-Palestinian talk, or in the multilateral talks, did usually go slowly. Did require some kind of intervention. So there was a lot of work to do, a lot of representations to be made.

It was very interesting. It was a great job.

Q: What did you do when you left there?

MCCARTHY: Tunis?

Q: Yes.

MCCARTHY: I came back here and did a last year as an inspector, senior inspector in the office of the Inspector General.

Q: Do you want to chat about that?

MCCARTHY: I'm not sure, have you done much on that?

Q: I'm always interested particularly in how the inspection process changes from time to time. What did you see the role when you were there, we're talking about 94-95. How did you see the role of the inspection core at that time and how it was working.

MCCARTHY: For me it was really an interesting assignment because I had been inspected repeatedly during my foreign service career. I know that opinions vary. I always

found it helpful, very useful to be inspected. Various inspections had been very helpful to me in terms of my own career. Either in terms of an inspector recruiting me for a next assignment or a very good inspection appraisal probably being the decisive element in getting me promoted.

I remember one very nice avuncular inspector coming through Chiang Mai after I had worked for 5 or 6 years in the state department, telling me the obvious except that it hadn't occurred to me. He said, “Gee, you're really very good in terms of being the eager young junior officer. You've got that role just about down pat. It's time for you to start moving on and just assuming more authority in what you're doing.” It was nice. He sort of said: you've got your young man role down pat but you're outgrowing it now; move on to something else. I really reflected on it and I said: He's dead right.

So I came to the office of the Inspector General with very nice feelings about the whole process. For me, at least, it worked out that way. I think inspections are serious. I think that one of the things that you learn to tell a post when you get there is absolutely correct, namely that at least half, if not three-quarters of the work of the inspection is done long before the inspection team arrives. Because in advance, 6 months in advance, you tell a post you're coming. A couple of months after that you send them some questionnaires. They have to go through the questionnaires and review all of their procedures. Any post worth its salt, by the time it's done all of that, has fixed what ever might have been wrong or inappropriate in its operations and is really ready for the inspection.

I think inspections are wonderful permanent review processes that keeps posts on their toes, or gets them on their toes. I had a very good inspection team. An interesting mix of embassies. I inspected both political and career ambassadors. I took seriously that the senior inspector was supposed to be spending his time looking at the ambassador and making sure that the ambassador was doing what Washington was really paying him or her for in terms of policy issues and management as well. It was good. I liked the whole thing.

I inspected right off a woman named Swanee Hunt who is a political ambassador. Very undignified. That's not the word I wanted. Considered undignified by her staff I guess is the point. As far as I could tell, the Austrians loved her. She was very untraditional and breezy, smart as anything and interested in making her contribution to the relationship. But not interested in going to a lot of receptions and being what a lot of her staff wanted her to be.

There was a lot of miscommunication, I would say. She was on the way to fixing it herself because she changed her DCM, which I think you have to do as an ambassador. It's nice to have a DCM stay around for 6 or 8 months after you've come but any more than that, I think that doesn't benefit either the old DCM or the new ambassador. But she had picked a new DCM who was going to help her get things repaired. But, nonetheless, her staff had not been as loyal as they might have been.

I guess what I liked best about inspecting was going in with a fair amount of knowledge. You spend about 3 weeks before you go out to a post, talking to people back here, both in the department and in the other agencies, about what the post is doing and what they see as key issues or key defects. Then you go out there and you look at the place.

In Vienna, we did the embassy I guess for about 4 weeks. Some of the others we did for 4 or 5 days. So, it's a lot harder when you're doing it for a telescoped period of time. But you've got enough time to read the folders, read the files, read the cable traffic, talk to everybody you need to talk to. In the case of the senior inspector, that's all of the counselors, all of the other agency reps, the ambassador, the DCM and their secretaries and personal staffs, quite a lot. And then, start making your own personal judgments.

I liked it. I liked it a whole lot.

I guess one conclusion is about the people we inspected. Of the political ambassadors I looked at at least one, this Swanee Hunt, was a superstar and a couple of the others were not all that great. Of the career people that I looked at a couple of them were fantastic

and a couple of them weren't all that great. If I went at it with a bias in favor of career ambassadors, which I probably didn't do anyway, that bias didn't hold up. I've always seen a role for political ambassadors but a defined role. Somebody who carried his weight in either private life or in some aspect of domestic politics, can probably carry his weight as an ambassador pretty well. Somebody who just got a job because he was rich, probably is going to be a catastrophe or he's not going to make much of a contribution.

At any rate, when it was over I could see that some political ambassadors were just fine; some career ambassadors were just fine. The reverse was also true. The worst case I saw was of a career ambassador during the time I was there.

Q: What was the problem?

MCCARTHY: Totally out of communication with his staff, very uninterested in anything except his own agenda. Driving what could have been a very pleasant place to real unhappiness.

Q: Were you able to communicate this to the person?

MCCARTHY: No. I mean, I certainly told the person. I don't know if you and I should be discussing this. I got the person moved, eventually. But I tried to level with him. I can be quite blunt and I was pretty blunt with this guy. But I wasn't the first person in the course of his career to have given him the message.

This is a man who was infamous for being very aloof, very cold. It's regrettable, in a way. I don't think he's an unpleasant person. If anything, again, the inspection gave me a chance to get to see, to understand him a little bit more. I saw him as a person who was - we call it aloof but I think he was isolated, unaware, out of touch with his own feelings, perhaps, certainly with the effects of his own actions on other people. It was regrettable. He shouldn't have been an ambassador. He shouldn't have been running anything.

Yes, I came back and I made sure that everybody in authority knew about it. I think, ultimately, he moved in part because of what I did. Not very fast, I must say. The state department has not a tremendously good track ready for taking care of problems.

Q: Well John, maybe we should stop at this point.

MCCARTHY: Stu, thank you very much.

End of interview